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Global Partnership
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**NATIONAL STRATEGIES
FOR FINANCIAL EDUCATION
OECD/INFE Policy Handbook**

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OECD/INFE Policy Handbook



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OECD/INFE POLICY HANDBOOK

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FOREWORD

The work on national strategies for financial education was launched in 2009 as an integral part of the OECD project on financial education, as a complement to financial consumer protection and inclusion measures with a view to strengthening financial stability and development. It was particularly meant as a new policy tool to counter some of the lasting effects of the 2008 global financial crisis, while offering solutions to governments designing and implementing financial education policies. The impressive increase in the number of governments which have adopted such nationally co-ordinated approaches to financial education testifies to its significance: today almost 60 economies are implementing national strategies for financial education worldwide, compared to a handful in 2009.

The relevance of national strategies for financial education is further confirmed by the attention of global fora. At their Summit in Los Cabos in 2012, G20 Leaders endorsed the High-Level Principles on National Strategies for Financial Education developed by the OECD International Network on Financial Education (OECD/INFE), thereby also recognising the importance of these co-ordinated policy approaches to financial education. They reiterated their support for these policy endeavours at their meeting in St. Petersburg in 2013 and called the OECD/INFE to develop a Policy Handbook on the Implementation of National Strategies for Financial Education.

This Policy Handbook responds to that call and also represents the culmination of the work of the OECD on national strategies. The OECD is therefore pleased to provide this important policy tool, which also highlights the main trends in national strategies worldwide. The Policy Handbook is expected to particularly support governments and public authorities in developed and emerging economies in addressing each challenge in the implementation of national strategies. To do so, the Policy Handbook offers an analysis of relevant case studies from economies at different levels of development, shares key lessons learnt from countries with experience in implementing national strategies, highlights effective practices and provides a checklist for action.

The Policy Handbook complements other analytical tools and policy instruments developed by the OECD/INFE on financial education including the collection of qualitative and quantitative evidence, work on various target audiences' needs, as well as the role of key stakeholders in financial education with the Guidelines for the Involvement of Private and Not-for-profit Stakeholders in Financial Education also submitted to G20 last year.

The Policy Handbook was developed through the OECD/INFE and its Expert Subgroup on National Strategies for Financial Education starting at the OECD/INFE technical meeting in Istanbul, Turkey, in May 2014. It was elaborated through the OECD/INFE, now spanning over 110 economies, and thanks to the direct contribution of over 65 OECD/INFE member economies. It went through an iterative and thorough development process leading to its approval by the OECD/INFE Technical Committee, the OECD Insurance and Private Pensions Committee and the OECD Financial Markets Committee in July/August 2015. It has been transmitted to and welcomed by the Global Partnership on Financial Inclusion (GPII) at their September 2015 meetings in Antalya, Turkey. It is now shared with G20 Leaders at their 15 November Summit in Antalya. It will then be made publically available for governments and other stakeholders.

We believe this Policy Handbook will contribute to increase the effectiveness of national strategies for financial education worldwide, and ultimately help individuals and households navigating the challenges and opportunities of today's financial markets thereby improving their financial wellbeing.

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EXECUTIVE SUMMARY

Within a fast evolving financial landscape where access to financial services is made easier while more risks are being transferred to citizens, financial literacy has become a key life skill for individuals as well as micro and small businesses. Financial education can help enhance financial literacy by increasing financial knowledge, skills and attitudes. In turn, this can contribute to individuals' (including vulnerable and low income) participation in financial, economic and social life as well as to their financial well-being. As a complement to financial inclusion and financial consumer protection, financial education is also important to restore confidence and trust in financial markets, and can support financial stability. G20 Leaders have recognised the important role of financial education policies notably by endorsing in 2012 the OECD International Network for Financial Education (OECD/INFE) High-level Principles on National Strategies for Financial Education. These Principles provide international guidance to policy makers with a view to developing evidence-based, co-ordinated and tailored approaches to financial education, both in emerging markets and more advanced economies.

Today, **59 economies** worldwide are implementing national strategies using guidance from the Principles, a number that has more than doubled in less than five years.

The experiences of these countries have highlighted a number of challenges with respect to the implementation of these Principles and related strategies, which this Policy Handbook notably addresses. The Policy Handbook responds to a call by G20 Leaders to the OECD/INFE in September 2013 and complements the 2012 Principles by supporting their implementation in interested countries. It is also designed to follow up on a series of products developed by the OECD/INFE for delivery to the G20, in particular the G20/OECD publication on the advances in national strategies in G20 economies released in 2013 and the OECD/INFE Guidelines on Private and Not-for-profit Stakeholders in Financial Education transmitted to the G20 in 2014.

This Policy Handbook benefited from the experience of the more than 110 member economies of the OECD/INFE, and with direct contributions from over 65 of them, through an in-depth and iterative consultation process. Based on an overview of worldwide trends in the design and implementation of national strategies for financial education, it identifies and addresses the main related challenges, outlines relevant solutions - developed in countries with different economic and financial landscapes- and presents key lessons learnt. The Policy Handbook includes a Checklist to guide policymakers and interested stakeholders in this process (see Annex I).

The Policy Handbook focuses on responding to the following main practical and policy issues:

- Developing a diagnosis to inform the national strategy;
- Establishing institutional and governing arrangements;
- Setting and achieving objectives, evaluating and funding the national strategy; and
- Ensuring effective and innovative provision of financial education.

The following sections provide a summary of the main trends for each challenge identified as well as the main elements of the key lessons learnt through country experiences.

DEVELOPING A DIAGNOSIS TO INFORM THE NATIONAL STRATEGY

Measurement and mapping exercises are both considered essential tools to prepare a national strategy based on people's needs and countries' circumstances including existing resources. With regards to assessing the population's needs:

- On the positive side, more economies (48) are conducting baseline surveys to inform evidence-based policies and programmes, mostly using international tools such as the OECD/INFE Toolkit to measure financial literacy and inclusion (31); however the availability of cross country evidence is still relatively limited and could be enhanced by the participation of more countries in international data collection such as the OECD/INFE surveys and PISA Financial Literacy exercise.
- Existing surveys increasingly include behavioural and attitudinal elements and seek to capture indicators of individual financial well-being; a much smaller set of countries also implement longitudinal surveys to get a better grasp of consumers' behaviours and attitude over the long term.
- In addition to large-scale surveys, more regular and simpler measurements, such as those designed to capture financial behaviours indicators are being undertaken, on an annual or biennial basis, to closely monitor the impact of national strategies.

Mapping exercises, i.e. the inventory and review – and ideally evaluation – of existing financial education initiatives, have been conducted in 40 economies. These exercises are increasingly used to co-opt not-for-profit and private sector stakeholders into the national strategy, gather additional evidence, and identify valuable resources and programmes. This takes place through consultation with stakeholders (32 economies), calls for evidence, and studies conducted in cooperation with universities or research centres.

ESTABLISHING INSTITUTIONAL AND GOVERNING ARRANGEMENTS

Explicit mandates with earmarked resources to conduct financial education policies are still relatively uncommon. The number of public institutions with clear and formal responsibilities on financial education is however increasing: eight institutions have mandates explicitly enshrined in their founding acts (or revisions thereof), six are given one through primary or secondary legislation, and 13 have implied a mandate from other responsibilities such as financial inclusion or financial consumer protection. These institutions include ministries of finance, central banks, financial markets authorities, and ministries of education. Clear mandates are recognised as important to:

- Design and implement national strategies that are more (financially) sustainable, and better suited to achieving behavioural changes. They can also ensure greater accountability and visibility to the public, as well as whole-of-government recognition;
- Engage with a wider range of trustworthy public stakeholders in the implementation phase.

Governance structures vary according to national circumstances, from multi-stakeholder approaches to the creation of a new body to implement the strategy. They generally aim at being flexible enough to be effective both in the design and the implementation phase and to allow the leading authority(-ies)/committee to involve relevant stakeholders from the public, private and not-for-profit sectors.

- Emerging governance structures seek to facilitate the implementation phase by separating directive/executive and supervisory roles, to allow a deeper involvement of private and not-for-profit institutions;
- They include reporting mechanisms and feedback loops to allow stakeholders to inform the leading authority(-ies)/committee of developments on the ground;
- These structures often involve the support of, and regular liaison with, the highest level of government.

Increasingly, national strategies are implemented with the **contribution of the private sector**. Private stakeholders can bring a number of benefits (e.g. financial resources and expertise), and are well positioned to reach a wide audience, exploit teachable moments and combine financial education with financial inclusion efforts. However, the involvement of private stakeholders in financial education may bring about potential shortcomings, including un-coordinated initiatives and conflicts of interest. For this reason, a number of

economies seek their involvement under appropriate guidelines, such as the OECD/INFE Guidelines for the Involvement of Private and Not-for-profit Stakeholders in Financial Education.

SETTING, ACHIEVING OBJECTIVES, EVALUATING AND FUNDING THE NATIONAL STRATEGY

The **roadmaps and action plans** of national strategies for financial education (i.e. their guiding documents that set objectives, means, and define partners) are ideally evidence-based and developed taking into account a variety of sources, from financial literacy measurement results to academic research and input from stakeholders:

- Roadmaps and action plans are in particular increasingly based on clear and explicit references to quantitative evidence, emerging from financial literacy measurements or anchored in financial markets and household surveys data; these benchmarks make it easier to show progress and contribute to reinforce these policies' sustainability;
- These guiding documents also provide directions and guidance to the organisations involved in programme delivery, which contributes to building consensus around the strategies' objectives.

The need for evidence is also reflected in the **number of evaluations** of national strategies for financial education. The number of national strategies that have been evaluated and revised is growing (11), but still limited (due in part to the average timeframes for evaluation, which typically take place over five years):

- National strategies are now increasingly assessed (and monitored) using a variety of quantitative and qualitative data: from repeated measurement surveys and the use of financial behaviour trackers, to consultation with private and not-for-profit stakeholders and the public;
- The development of core competencies on financial education can also support evaluation, as they identify targets against which progress can be measured.

Funding of national strategies occurs in most cases through a combination of public and private resources. The cost of national strategies for financial education is relatively small compared to other public policies or to the spending on financial marketing from financial institutions. Notwithstanding the amounts involved:

- Long-term planning and multi-year budget horizons are needed to effectively address the financial education needs of the population;
- The contribution of the private sector is often encouraged, through funding mechanisms that minimise possible conflicts of interest or in the framework of appropriate guidelines.

ENSURING EFFECTIVE AND INNOVATIVE PROVISION OF FINANCIAL EDUCATION

One of the main challenges facing public authorities implementing national strategies is to find ways of changing financial attitudes and behaviours of the population. In order to do this, national strategies employ a variety of traditional and more innovative approaches to delivery combining three main approaches:

- **Facilitating access to information and advice through multi-channel delivery** (such as websites that seek to become the reference at the national level through consumer-friendly branding, interactive web-based tools, or awareness and communication campaigns);
- **Accounting for timing and location and harnessing existing learning environments and networks:**
 - through life-cycle approaches (addressing consumers in key stages of their professional or personal lives: having a child, buying a first home, retiring, etc.),
 - by choosing the right trusted intermediaries such as community leaders and developing training the trainers programmes,
 - through appropriate learning environments such as the workplace or schools (at least 27 economies have introduced financial education in schools, in some cases as a mandatory cross-curricular subject);

- **Supporting individual engagement, motivation and decision-making**, by using the findings of behavioural economics and social marketing techniques, harnessing peer pressure and the community effect, or the new possibilities offered by games and social technologies.

More national strategies now include **programme evaluation** as an essential element of their implementation, combining quantitative and qualitative data and often using international methodologies (such as the tools developed by the OECD/INFE¹). However, more needs to be done to ensure that this is explicitly included within national strategies' roadmaps and that the evaluation results are reported at the domestic and international levels (including through the database of evaluated financial education programmes offered by the OECD/INFE). This would ensure the identification of the most effective delivery channels based on the needs of the target audiences, it would enhance national and international knowledge of effective approaches, and promote the accountability and sustainability of financial education policies and initiatives.

¹ The INFE High-level Principles on Evaluation of Financial Education Programmes (OECD/INFE, 2012a) and two non-technical OECD/INFE Guides to Evaluation (OECD/INFE 2010a; OECD/INFE 2010b).

CHAPTER 1. OVERVIEW OF NATIONAL STRATEGIES FOR FINANCIAL EDUCATION

STATUS OF NATIONAL STRATEGIES

A growing number of countries are developing national strategies as illustrated in Table 1. In 2015, based on the information received through the OECD/INFE surveys and Secretariat desk research, 59 countries report developing a national strategy, implementing one or revising it and developing a new one, with an additional five planning one. This represents a steady increase when compared with the situation in 2011, when 26 countries reported having developed or implemented a national strategy (more than 200% in three years).

A significant group of countries are now in the process of revising their initial strategy and/or implementing a second national strategy based on their experience and the evaluation of the outcome of the first national strategy: these are Australia (2013/14), the Czech Republic (expected in 2016), Malaysia (2015) Japan (2013), Netherlands (2014), New Zealand (2013/15), Singapore (ongoing), South Africa (2013), Slovak Republic (2014), Spain (2012), United Kingdom (2013) and the United States (2011)².

Their experience and the challenges they overcame when going through this evaluation and revision process are particularly valuable for other countries and in formulating general key lessons learnt.

Table 1.1 Status of national strategies (NS) in 2015

Status of the national strategy	Number	Countries and territories
A NS IS BEING REVISED OR A SECOND NS IS BEING IMPLEMENTED	11	Australia; Czech Republic; Japan; Malaysia; Netherlands; New Zealand; Singapore; Slovak Republic; Spain; United Kingdom; United States
A (FIRST) NS IS BEING IMPLEMENTED	23	Armenia; Belgium; Brazil; Canada; Croatia; Denmark; Estonia; Ghana; Hong Kong, China; India; Indonesia; Ireland; Israel; Korea; Latvia; Morocco; Nigeria; Portugal; Russian Federation ³ ; Slovenia; South Africa; Sweden; Turkey
A NS IS BEING ACTIVELY DESIGNED	25	Argentina; Chile; China (People's Republic of); Colombia; Costa Rica; El Salvador; France; Guatemala; Kenya; Kyrgyzstan; Lebanon; Malawi; Mexico; Pakistan; Paraguay; Peru; Poland; Romania; Saudi Arabia; Serbia; Tanzania; Thailand; Uganda; Uruguay; Zambia
A NS IS BEING PLANNED	5	Austria; Former Yugoslav Republic of Macedonia (FYROM); Philippines; Ukraine; Zimbabwe

MAIN HIGH-LEVEL POLICY PRIORITIES

Not surprisingly, most of the national strategies are aimed at improving financial literacy with a view to promoting healthier financial behaviours and improving financial well-being.

A significant number of both emerging (most) and developed countries (around half) also seek to improve financial inclusion through their national strategy for financial education (see Box 1 "Financial education for an effective financial inclusion"). A wide group of countries is also linking the development of their national strategies to other financial regulation measures and in particular the improvement of their financial consumer protection framework. In some cases, financial education policies are used as tool to support the implementation of pension systems reform. Other more specific objectives of these national strategies seem to be almost equally strengthening long-term saving and investment and fighting households and individuals' over-indebtedness.

² In brackets, the year of the revision of the initial national strategy.

³ The Russian Federation has developed a comprehensive nationwide programme on financial literacy with strategic key performance indicators and began its implementation in 2011; it is now in the process of formalising the (new) national strategy's structure and roadmap.

Interestingly, these objectives are mostly based either on the results of surveys conducted to identify the population needs and/or on government priorities.

Some countries, notably those where public authorities have collected data over longer periods of time, further refine their national strategy's objectives. In Canada for example, the national strategy aims to act specifically on three dimensions of financial literacy related to money management, planning and protection (i.e. manage money and debt wisely, plan and save for the future; and prevent and protect against fraud and financial abuse).

Based on evidence, financial education policies can also be part of other government programmes or identified as specific, urgent policy priorities. In Colombia and Mexico, financial education and inclusion are part of the President's National Development Plan, as a support to economic performance and competitiveness (National Planning Department of Colombia, 2011; Federal Government of Mexico, 2013). In India and Indonesia, financial education is an essential component of the national inclusion strategies, which are among the top policy priorities of the central administrations (Ministry of Finance of India, 2014). In South Africa, financial education is part of the broader set of policy interventions aimed at Black Economic Empowerment. Finally, examples show how long-term macroeconomic trends can call for government action through national strategies for financial education, as in Turkey, where evidence from macroeconomic indicators brought the government to make financial education an essential tool of policies to increase long-term savings.

Box 1.1 Financial education for effective financial inclusion

Financial exclusion still affects 2 billion adults worldwide (Demirguc-Kunt et al., 2015), roughly half of the global working-age population, concentrated in particular in emerging markets. There are several supply-side factors that contribute to financial exclusion: regulatory constraints, availability of competing financial services with no, or limited, financial consumer protection requirements, prohibitive market factors, as well as barriers stemming from geography and infrastructure/connectivity. In addition to these elements, demand-side factors can also contribute to financial exclusion, and in particular financial vulnerability caused by personal circumstances, low levels of financial literacy, reduced social and technological inclusion, and cultural and psychological barriers (Atkinson, A. and F. Messy, 2013).

Financial inclusion policies that focus only on supply-side factors cannot guarantee an effective use of financial services. In this context, financial education policies are increasingly used as an important tool to help overcoming several of the above-mentioned barriers, and address the financial needs of both individuals and families. Financial education, by acting on low financial literacy as well as on psychological barriers and lack of awareness, can contribute to reduce the demand-side barriers to financial inclusion. Improved financial literacy can increase both awareness and understanding of financial products and services, and as such promote demand of financial products and their effective use.

Against this background, policy makers worldwide have recognised the importance of increasing efforts to develop well designed financial education strategies and adequate financial consumer protection measures alongside supply-side initiatives to stimulate financial inclusion. These financial education and consumer protection endeavours must be targeted on the relevant groups, and ideally provided alongside access to appropriate products.

Governments that place financial inclusion among their policy priorities have as a consequence developed national strategies for financial inclusion in which financial education policies form one of the main pillars, or national strategies for financial education developed and implemented in parallel to the national strategies for financial inclusion.

India

The coordinated efforts of Reserve Bank of India and the Government of India over the last five years have culminated in providing access to banking services to a majority of the Indian population. The formulation and implementation of the National Strategy for financial education therefore becomes a top priority for the country to educate the new entrants into the financial system. The Indian national strategy was initially prepared by a committee representing all of the country's financial regulators (Financial Stability and Development Council of India, 2012), and was also peer reviewed by the OECD/INFE. The national strategy for financial education is deemed essential in ensuring that the national financial inclusion policies implemented by the government are successful. Increased levels of financial literacy will be essential to support the national financial inclusion efforts, in particular once the basic financial products such as micro-insurance and pension products are offered to basic bank account holders throughout the country.

Indonesia

The National strategy for financial Literacy was launched by the President of Indonesia in November 2013 and is coordinated by the Financial Services Authority (*Otoritas Jasa Keuangan*, OJK), which is mandated by law to conduct

financial education as part of its financial consumer protection tasks. Financial education policies had been until then part of the national strategy for financial inclusion. The surveys conducted by Bank Indonesia in 2012, using the OECD/INFE Survey, indicate a strong correlation between levels of financial education and access to finance in the archipelago, reinforcing the need to act on both policy areas in order to ensure inclusive growth.

Mexico

In Mexico the national strategy for financial education (recently included in law, see the Case Study “Mexico: A National Development Plan enshrining in law financial education mandates”) is under development as a complement to the national policy on financial inclusion. The starting point for the development of the strategy was the realisation that despite the great advances in financial access, the use of formal financial services was still hindered by insufficient levels of financial education and awareness among important sectors of the population. This synergy is reflected also in the institutional structure to implement the national strategy for financial education and the one on inclusion. The high-level National Council on Financial Inclusion and the Committee on Financial Education must coordinate on financial education issues.

Peru

The National Strategy for Financial Inclusion (ENIF, for the acronym in Spanish) was designed by the Multisectoral Committee for Financial Inclusion between 2012 and 2015; and launched by the Supreme Decree N° 191-2015-EF on July 2015. The ENIF has seven action lines, one of which is financial education. The financial education action line is jointly led by the Superintendence of Banking, Insurance and Private Pension Funds (SBS) and the Ministry of Education (MINEDU); and will have as key outcome the National Plan for Financial Education that will aim to articulate the main financial education initiatives in Peru. The starting point for the creation of the strategy on financial education has been the successful cooperation between the SBS and other public and private institutions; from which highlights the collaboration with the MINEDU for the introduction of financial education in the formal school curriculum, including the Teacher Training Programme *Finanzas en el Cole* (Finance at School) and the development of dedicated pedagogic material (see case study in Chapter IV “The inclusion of financial education in the national curriculum in Peru”).

The collection of evidence and the increasing amount of resources devoted to research and policy analysis in the area of financial literacy, as well as the recent attention of international organisations to individual well-being as a desired outcome of public policy interventions, has led to an evolution in the analysis of the objective of national strategies for financial education.

The analysis of behaviours and attitudes in the population (see the Box 4 “The development of financial literacy and financial behaviour indicators to monitor the overall national strategy”) is being increasingly taken into account in setting objectives. There is also growing interest in the promotion of financial well-being for individuals and households as the final outcome of financial education policies (see section “Financial well-being as an outcome of financial education policies”).

MAIN TARGET AUDIENCES

In most countries the national strategy is expected to benefit the overall population. However the OECD/INFE survey also confirms that particular subgroups of the population are specifically targeted. The economies covered in the OECD/INFE survey show that these target groups include in decreasing order of importance (see also the comparative tables in Annex): young people (more than half of responding countries), women, low income groups, elderly people, micro-, small- and medium-sized enterprises, migrants and, in a few countries, people living in rural areas.

In most cases, targeting these groups is also part of broader social and economic policy agendas implemented by the government and national administrations, of which financial education is a component. Identifying priority target audiences is also useful to maximise impact with available resources. Moreover, it permits building up an expertise and knowledge of the specific target group, and as such can make trainers and programme developers react more easily and rapidly to changes in the target group.

These groups are often identified through financial literacy surveys as illustrated in Chapter I. The identification of these target groups is generally based first on socio-demographic characteristics and quite often leads to the adoption of a life-stage approach (in a third of the surveyed countries, see also Chapter IV).

An emerging trend in surveyed countries and territories (such as Hong Kong, China; the Netherlands; South Africa; Turkey and the United Kingdom) aims at segmenting the population according to their financial behaviour and attitude as well as related vulnerabilities (which sometimes, but not always, coincide with their socio-demographic characteristics, see also the case study “Hong Kong, China: the definition of target audiences based on a model used in public health interventions”). This segmentation is made possible by the refined analysis of financial literacy surveys as well as survey of groups particularly affected by recent external shocks (e.g. the recent financial crisis, pension systems reform, natural/man-made disasters). This approach allows a more refined communication and educative approach which can address the real needs for financial literacy of consumers (independently from their socio-economic status). It also makes it possible to define outreach measures and programmes according to policy priorities (such as access to credit and debt management, or savings for retirement).

This focus on behaviour and vulnerabilities also takes into account that not all knowledge gaps necessarily translate into real life concerns that necessitate a financial education intervention. For example, those exhibiting low knowledge on issues such as mortgages might simply be retirees that have owned a house with debt paid off in full for decades and as such do not display (nor need) knowledge on mortgages. It is therefore important to associate the analysis of knowledge gaps to the behaviours and real life context of the target population in order to develop relevant messages and learning content.

Finally, when identifying target audiences, countries also define intermediary or secondary audiences that can work with them, be it specific segments of public sector employees, stakeholders such as journalists, teachers and employers (see also Chapter IV), or those implementing specific programmes financial education programmes.

TIMEFRAMES

On average, national strategies are set for five years. In the countries surveyed, as shown in Table 1.2, national strategies are generally planned for a period of three to seven years (with some exceptions such as Croatia where it is planned over ten years). Some others have their national strategies ongoing with no planned formal revision, and adjustments are made continuously through the activity of the implementing institutions.

Table 1.2. Timeframes of national strategies

CONTINUOUS	3-4 YEARS	5 YEARS	MORE THAN 5 YEARS
Japan, New Zealand	Argentina, Australia, Peru (3 to 5), Turkey (4)	Armenia Guatemala India Indonesia Israel Korea Malawi Mexico Netherlands Portugal Romania Russia South Africa (with annual reviews) Spain United Kingdom	Croatia (10) Latvia (7) Malaysia (10)

FINANCIAL WELL-BEING AS AN OUTCOME OF FINANCIAL EDUCATION POLICIES

The definition of financial education developed by the OECD in 2005 already identifies financial well-being as one of the main outcomes of the financial education process:

“the process by which financial consumers/investors improve their understanding of financial products, concepts and risks and, through information, instruction and/or objective advice, develop the skills and confidence to become more aware of financial risks and opportunities, to make informed choices, to know where to go for help, and to take other effective actions to improve their financial well-being.” (OECD, 2005).

At the policy level, the need to achieve financial well-being and allow effective participation in economic life is reflected in the recognition of the importance of a trilogy approach for the financial empowerment of consumers based on financial inclusion, financial consumer protection and financial education, as recognised by G20 Leaders in a set of instruments approved and endorsed successively in 2010, 2011 and 2012 (G20, 2010; G20/OECD, 2011; OECD/INFE, 2012b). Recent changes in the way policy makers look at economic progress, as well as advances in the understanding of financial literacy, have highlighted the importance of financial well-being. There is growing consensus that societal progress is about improvements in the well-being of people and households. Assessing such progress requires looking not only at the functioning of the economic system but also at the diverse living conditions and expectations of people (OECD, 2011).

With respect to *financial* well-being, this new approach had gained visibility through the increasing amount and quality of evidence collected at the international and national levels (Atkinson and Messy, 2012; OECD, 2014b), which has permitted to look at financial empowerment from the perspective of individuals.

A number of countries and in particular those where national strategies for financial education have been implemented for longer, have begun including individual financial well-being among the objectives sought through the implementation of their financial education policies. The revisions of their national strategies have been instrumental in collecting the view of stakeholders on the objectives of the strategy, in combination with the development of specific research on these issues.

Australia is a testament to the importance given to personal circumstances as determinants of individuals' financial decision-making, and a first step to the understanding of individuals' financial well-being from a personal perspective. The examples of the United Kingdom and the United States also highlight the important role of personal circumstances, and combine this with the identification of security and freedom of choice as the basis of financial well-being.

Australia: The key role of personal circumstances

The Australian Securities and Investments Commission (ASIC) released an updated version of the Australian national strategy in 2014. The process of reviewing the previous strategy, conducted in consultation with a range of government, financial services, education and community sector stakeholders (ASIC, 2013) has enabled updating the definition of financial literacy to highlight the role played by personal circumstances in shaping attitudes and behaviours, with the recognition that building financial literacy and well-being is a dynamic and ongoing process. The definition of financial literacy developed by the OECD (OECD, 2005) and used by ASIC has thus been amended to include this new element. Financial literacy has become a precondition to make “sound financial decisions, based on personal circumstances, to improve financial well-being” (ASIC, 2014).

The Australian national strategy now gives prominence to an analysis of the shifting and sometimes conflicting factors that impact on financial decision-making. This includes the effects of external environmental influences, personal contextual influences, and individual psychological makeup (such as cognitive biases). Among the environmental influences that affect decision-making are social and cultural factors, the economic context, the regulatory environment, the product sales context, and the level of access to products and services. Within this external framework sits the personal context, including attitudes and emotions, motivation and timing, knowledge and skills, as well as the life experiences of the individual.

This new approach has policy implications: it contributed to the prominence gained by tailored, life-stage approaches to the provision of financial education, in order to provide appropriate information and support in the right way and at the right time, based on the personal circumstances of individuals and target groups. The strategy recognises that over time, these teachable moments may open the door for other learning and skills development, building on individual strengths and decision-making experiences.

United Kingdom: A financial well-being staircase that takes into account resilience and goals

The revision of the UK national strategy for financial capability has also focused on the definition of financial literacy (or capability) adopted by the strategy (Money Advice Service, 2015). The consultation document used to gather stakeholders' views begins by recognising that financial capability includes external factors, such as accessibility of financial services and the ease with which consumers can interact with them, as well as internal factors such as ability, composed of skills and knowledge, and mindset, composed of attitudes and motivations.

It is on this premise that the Money Advice Service (MAS) builds its definition of financial well-being, as a consequence of financial behaviours that are an expression of individuals' circumstances and financial literacy levels.

Based on the evidence collected through the Financial Capability Tracker surveys of financial literacy, MAS defines a financial well-being staircase composed of five broad states of financial well-being, which are influenced by an individual's financial literacy levels. The staircase goes from its higher step, "Secure", to its lowest one, "unable to keep up":

- **Secure:** a good financial plan and providing adequately for their future lifestyle;
- **Resilient:** have built enough financial buffer to withstand life's shocks;
- **Making ends meet:** coping with day-to-day finances, but not very resilient;
- **Constantly struggling:** struggling constantly to stay above water, very susceptible to financial shocks; and
- **Unable to keep up:** currently experiencing unhealthy debt problems and failing to make ends meet.

Individuals in the higher step, those who are secure, are defined as being financially resilient both in the short and the long term, they have savings and a plan for the future that will support their chosen and desired later life. It is worth noting that this definition encompasses not only mere capacity to absorb shocks but also the ability to fulfil life aspirations and personal goals.

Finally, MAS points out that research undertaken in the UK shows that there is a mild correlation between individuals' financial means and their positioning among the 5 levels of financial well-being. While acknowledging that some categories are more at risk of falling at the bottom of the staircase, such as those with low skills and qualifications or renters, evidence indicates that there are people with limited means but who have built up both financial resilience and a plan for the future, based on their individual circumstances and life goals. At the same time, people with high incomes can find themselves at the bottom of the financial well-being staircase because they are financially over-committed and are faced with unmanageable debt. The concept of the well-being staircase has been a useful communications tool that has enabled new audiences to understand and engage with the financial capability strategy. However, it deliberately simplifies and reduces down complex real-life lived experiences. Therefore the focus of the developing UK financial capability strategy's evaluation will be monitoring financial capability rather than elements of well-being alone.

This research will provide the framework for the implementation of the revised national strategy for financial capability, beginning in the second half of 2015.

United States: Defining the end goal of financial education policies and understanding its determinants

The research undertaken in the United States by the Consumer Financial Protection Bureau (CFPB) was motivated by the need to determine how to define and measure the success of financial education policies, in particular in order to inform public policy (CFPB, 2014).

To this end, the CFPB, in cooperation with research centres and universities across the country, has conducted open-ended interviews with consumers to understand the consumer perspective on financial well-being. The objective of the interviews and the related research was to understand "how people could make the best of their situation given their current financial circumstances", i.e. achieve financial well-being.

The evidence gathered through the interviews with consumers led in a definition of financial well-being as a state of being wherein one:

- Has control over day-to-day, month-to-month finances;
- Has the capacity to absorb financial shocks;
- Is on track to meet personal financial goals;
- Has the freedom to make the choices that allow enjoying life.

Similarly to what has been identified by MAS in the United Kingdom, the factors influencing individual financial well-being have been found to include both elements relating to the capacity to withstand shocks as well as the ability to meet personal goals by making choices relevant to one's personal life. This also shows how traditional measures such as income levels or net worth, while important, are not enough to capture financial well-being.

The CFPB then conducted research on the factors influencing financial well-being, in order to inform national policy. CFPB has focused on behaviours, knowledge, personal traits, the social and economic environment as well as life stages.

Consistent with the evidence collected at the international level, the behaviours identified as supporting financial well-being are those relating to effective and routine money management (being frugal, maintaining an intentional lifestyle, using credit prudently if at all, avoiding and managing debt), to researching decisions and seeking knowledge, to goal-setting and planning, and to following through to decisions and intentions.

The relationship between financial knowledge and behavioural change is found to be mediated by individual characteristics such as attitudes and non-cognitive skills, as well as by the context in which the decision is taken. The results of consumer interviews suggested the importance of knowing "how to do things", rather than the "knowledge of the thing itself". Given this insight, the CFPB has identified "financial ability" as the *action component* or skill that influences the use of financial knowledge. This skill is conceptualised as supporting the effective behaviours identified above, and encompasses knowing when to seek and where to find reliable information to support a financial decision, knowing how to process that information, and knowing how to execute financial decisions, including monitoring their effects and staying on track. Interviews with consumers and practitioners have highlighted how "financial ability" is heavily influenced by the personal circumstances of each individual, and in particular upbringing, the social context and personal network that promote familiarity with and confidence in their own skills and behaviours.

Personal traits also emerge as strong influencers of financial behaviour and, as such, of financial well-being. The key traits playing a role in achieving financial well-being are categorised as an individual's internal frame of reference, i.e. how one compares oneself to others and the self-esteem, perseverance, executive functioning (a multifaceted suite of mental operations involved in self-control, planning and focus) and financial self-efficacy, i.e. people's confidence in their ability to influence their life.

Finally, the interviews with consumers highlighted several differences between, in particular, working-age and older consumer perspectives. However, the analysis of the interviews with both target groups confirmed that behaviours, habits and attitudes developed in youth seem to strongly influence adult financial well-being. This is consistent with research conducted internationally, and is going to support further the focus of the US national strategy on young people and on the formal education sector (see also Case Study "United States: a roadmap for a specific target group, young people").

CHAPTER 2. DEVELOPING A DIAGNOSIS TO INFORM THE NATIONAL STRATEGY

As indicated in the OECD/INFE High-level Principles on National Strategies for Financial Education, developing a diagnosis to inform the implementation of a national strategy is of paramount importance to ensure the national strategy is evidence-based and tailored to a country's needs and circumstances. Countries report in particular that mapping initiatives and measuring financial literacy levels are the two key aspects of this phase, and also highlight a number of challenges relating to these processes.

Mapping existing financial education initiatives promoted by public, private and civil society stakeholders can be challenging, as the number of stakeholders active in financial education is increasing, and their programmes need to be evaluated in order to understand their relevance and possible contribution to the national strategy. Measuring financial literacy levels involves choosing the appropriate methodology, undertaking resource-intensive national surveys, and decide whether and how to complement these data with additional sources of evidence.

This chapter discusses both processes, points to relevant case studies in countries which have developed fully-fledged diagnoses and highlights a number of lessons covering methodological aspects as well as policy design.

MAPPING EXISTING INITIATIVES AND STAKEHOLDERS

Mapping existing initiatives and stakeholders is a prerequisite to the establishment of national strategies and is ideally conducted during the design (or update) phase. This stocktake of existing resources focuses on the domestic stakeholders providing financial education and on their programmes. It can be complemented by a review of other countries' examples and of relevant instruments or programmes developed or delivered at the international level.

Stakeholders active in financial education can be either public authorities already developing sectoral programmes (in securities, insurance or pensions, for example) or not-for-profit and private stakeholders that might have developed independent programmes.

The majority of respondents with a national strategy have undertaken a mapping of existing resources and initiatives on, and stakeholders already involved in, financial education. The most commonly used tools to do so are, in decreasing order of importance, 1) consultation with stakeholders and calls for evidence, 2) desk research, and 3) the organisation of conferences and workshops open to interested organisations with an interest in financial education. Additionally, a relatively smaller group of countries (a third) have sought to evaluate the efficiency of these resources and of programmes developed by various stakeholders.

Criteria to identify stakeholders include the public/regulatory nature of the institutions concerned, their proven expertise, commitment and credibility to deal with financial education issues and implement initiatives as well as the absence of conflicts of interest (when private sector is involved), or relevance of their activities to consumers (Canada).

KEY LESSONS LEARNT IN MAPPING EXISTING INITIATIVES AND STAKEHOLDERS

Mapping of existing initiatives is not simply used as a stocktake exercise to get the sense of what is already being implemented at the national level; it also fulfils other important functions:

- Mapping permits public authorities to understand the level of technical expertise present among stakeholders and to identify good practices;
- Conversely, public authorities might also use the outcomes of the mapping exercise to understand if there is a need to develop specific guidance in some areas to further support stakeholders in their efforts.
- Mapping and the evaluation of existing initiatives are also a useful basis for:
 - selecting trusted partners that can support public authorities in the design and later in the implementation of the national strategy. This can lead to the incorporation of certain programmes and actors within the national strategy;
 - identifying overlapping programmes and duplication of efforts, or potential opportunities for synergies among stakeholders; and
 - Identifying gaps in the provision of financial education.
- Finally, the programmes identified, and their evaluation, are also useful in informing the setting of priorities of the national strategy, highlighting the main problems already being addressed at the national level, and identifying gaps and opportunities.

The case study of Australia shows how a mapping exercise can fulfil several objectives that go beyond the mere collection of information of “who is doing what”. The mapping and consultation conducted by the Australian Securities and Investments Commission (ASIC) have also been instrumental in refining public policy priorities, and have helped public authorities in the revision of the financial education strategy.

CASE STUDY: AUSTRALIA

Mapping financial education stakeholders and gathering their views on the strategy's priorities

The Australian Securities and Investments Commission (ASIC) has undertaken systematic mapping of relevant existing resources and stakeholders over the last two years, as part of its review of Australia's National Financial Literacy Strategy. That mapping included, in particular, an extensive stakeholder consultation process and a national stocktake survey. Full details of the review and consultation process are set out below.

ASIC published Australia's first National Financial Literacy Strategy in March 2011 to promote a national collaborative approach to improving Australians' financial literacy. ASIC's MoneySmart website and MoneySmart Teaching programme are flagship initiatives under that first Strategy. In 2011 ASIC also made a commitment to conduct a review of the Strategy three years after its release.

During 2013/14, ASIC therefore undertook a wide ranging review and consultation exercise to take stock of progress against the 2011 Strategy and inform development of a new Strategy for 2014-17.

The review included:

- a National Financial Literacy Forum held on 30 April 2013;
- a call for submissions to a public consultation paper;

- a national stocktake survey of financial literacy initiatives in Australia ; and
- targeted discussions with a wide range of key stakeholders conducted from October 2013 to March 2014.

More than 200 stakeholders from the business, community, education and government sectors participated in the consultation process, sharing views on the scope and content of the Strategy, definitions and terminology, related issues and policies, strategic priorities for 2014-17 and core actions, gaps and opportunities and measures of progress. In October 2013 ASIC published a summary of the feedback gathered (ASIC, 2013).

A broad range of views were expressed, and stakeholders consistently highlighted:

- the interconnectedness between financial policy and broader policy frameworks for consumer protection, regulation of financial markets, and social and financial inclusion;
- the role that opportunity and personal circumstances play in building and using financial literacy knowledge, skills and behaviour; and
- the importance of a multi-faceted approach to financial education, connecting with Australians at teachable moments throughout their lives, including at school.

Stakeholders also shared their views on priority actions and target groups to focus on over the next three years, emphasising the need to:

- foster cross-sectoral partnerships and strengthen government to government co-ordination; and
- increase opportunities for stakeholders to share what works and learn from each other to foster good practice and build research in the field.

A report on the results of the national stocktake survey was also published in October 2013. The report summarises the 112 initiatives submitted by 64 organisations in response to the survey and includes information on: type of initiative, when first implemented, delivery location, topic(s) covered, delivery method(s), target audience(s), delivery partner(s), whether independently evaluated, whether offered in language other than English, and website link (if applicable).

The results of the stocktake survey and the public consultation exercise, together with the findings from relevant research and the OECD/INFE good practice guidelines, informed the development of the National Financial Literacy Strategy for 2014-17 (Australian Government, 2014) around five strategic priorities:

1. Educate the next generation, particularly through the formal education system
2. Increase the use of free, impartial information, tools and resources
3. Provide quality targeted guidance and support
4. Strengthen co-ordination and effective partnerships
5. Improve research, measurement and evaluation

The first three strategic priorities focus on building the capacity of individuals, families and communities. The last two provide direction to organisations involved in financial literacy research, policy development and programme delivery.

From December 2013 to March 2014, ASIC consulted with key stakeholders from each sector on drafts of the new 2014-17 Strategy and Action Plan. Feedback was positive and constructive and enabled ASIC to refine the content, priorities and actions, indicators of progress, illustrative case studies as well as the format. The end result is a national framework for action for stakeholders across the government, business, community and education sectors, led and coordinated by ASIC.

The 2014-17 Strategy is intended to be flexible and capable of responding to changes in the external environment or market conditions, to enable existing players and new entrants to contribute towards the Strategy in different ways and to promote equally the efforts of small and large organisations.

Australia's National Financial Literacy Strategy 2014-17 was officially launched on 1 August 2014.

FINANCIAL LITERACY MEASUREMENT

Financial literacy surveys

A majority of respondents to the OECD/INFE survey have undertaken assessments of the levels of financial literacy across their population. Countries stress that it is beneficial to set the objectives of the national strategy based on strong evidence. This also allows public authorities to set realistic targets and to have well-defined benchmarks against which progress can be measured. Among the countries that have conducted assessments, most countries have used national financial literacy surveys relying either on available international tools (around 30 have used the OECD/INFE tool* (OECD/INFE, 2013b) and 12 have used the World Bank* tool, see also Table 2.1) and/or dedicated national methodologies –sometimes combined to adapt them to their national context. In addition, in 2015 more than 30 economies are conducting a new assessment of financial literacy and inclusion using the updated OECD/INFE Measurement Toolkit (see section “OECD/INFE Financial Literacy and Financial Inclusion Measurement Toolkit”).

A number of countries have also participated in international assessments of financial literacy amongst youth through the Financial Literacy Option included in the OECD Programme for International Students Assessment (PISA) (OECD, 2014b). Eighteen economies participated in the 2012 exercise and 15 in the 2015 exercise, representing respectively 40% and 52% of world GDP. Their participation is consistent with countries’ objectives to target youth as part of their national strategy, recognising the efficiency of providing financial education through the school curriculum (see also Section “Financial education for youth: the role of schools”).

General household surveys

A minority of countries rely on general household surveys for assessing the financial behaviour of adults (e.g. in Argentina, Italy, the Philippines and Spain). These surveys, usually conducted by central banks, also provide useful insights into saving, indebtedness and investing patterns and as such help identifying key policy areas as well as priority target groups. These instruments, despite not being focused specifically on financial literacy needs, permit segmenting households according to their financial assets, levels of indebtedness as well as their attitudes towards financial risks. This can also provide a measure of the financial literacy needs in policy areas such as savings for retirement, based for example on the ownership of savings and investment products, or insurance, based on the level of insurance coverage. Finally, these general surveys can also integrate, in parts or in total, international tools to measure financial literacy (as in Thailand, where the Bank of Thailand cooperated with the National Statistical Office to include the OECD/INFE Core Questionnaire in the national household survey).

Table 2.1 Surveys of financial literacy: tools used

	Measurement tool	Number	Economies
International surveys	OECD/INFE survey* , **	31	Albania (2011), Armenia (2010), Bolivia (2013), British Virgin Islands (2010), Colombia (2013), Czech Republic (2010), Ecuador (2013), Estonia (2010), Finland (2014), France (2014), Germany (2010), Hungary (2010), Iceland (2011), Indonesia (2012), Jamaica (2012), Japan (2011 – some questions), Korea (2013), Ireland (2010), Latvia (2014), Lithuania (2012), Malaysia (2010), New Zealand (2013 - knowledge questions), Norway (2010), Peru (2010, 2013), Poland (2010), Saudi Arabia (2014), Serbia (2012), South Africa (2010, 2012), Suriname (planned), Thailand (2013 – some questions), United Kingdom (2010)
	World Bank financial capability survey*	12	Armenia (2012), Azerbaijan (2009), Bosnia and Herzegovina (2011), Colombia (2012), Lebanon (2012), Mexico (2012-OECD/INFE financial knowledge used), Mongolia (2012), Russian Federation (2008, 2012, 2015) Tajikistan (2012), Turkey (2012), Uruguay (2012), West Bank and Gaza (2011)
	PISA Financial Literacy 2012/2015*	24	Australia (2012, 2015), Belgium (Flemish Community) (2012, 2015), Brazil (2015), Canada (some provinces) (2015), Chile (2015), China (Shanghai) (2012), China (2015), Colombia (2012), Croatia (2012), Czech Republic (2012), Estonia (2012), France (2012), Israel (2012), Italy (2012, 2015), Latvia (2012), Lithuania (2015), Netherlands (2015), New Zealand (2012), Peru (2015), Poland (2012, 2015), Russian Federation (2012, 2015), Slovak Republic (2012, 2015), Slovenia (2012), Spain (2012, 2015), United Kingdom (England) (2015), United States (2012, 2015)
National surveys	Financial literacy surveys	18	Australia (2003, 2005, 2008, 2011, 2014); Armenia (2014); Austria (2014); Brazil (2008); Canada (2009, 2014); China (2013); Czech Republic (2007); France (2014); Hong Kong, China (2012, 2014); Indonesia (2013); Israel (2012 – some OECD/INFE questions); Japan (2011); Netherlands (2013); New Zealand (2005, 2009, 2013); Portugal (2010); Singapore (2005, 2013); United Kingdom (2006, 2013); United States (2009, 2012)
	Household surveys only	6	Argentina, Chile, Italy (2008, 2010, 2012), Philippines (2009), Russian Federation (2013), Spain (2002, 2005, 2008)

* This group includes also countries that did not complete the OECD/INFE questionnaire on the implementation of national strategies.

** The next OECD/INFE survey is taking place in 2015 with a wider set of countries.

Overview of global results⁴

The results of these quantitative assessments generally reflect the low level of financial literacy of the overall population and/or of particular segments. The increasing use of international cross-comparable instruments to measure financial literacy permit the identification of aspects of individuals' financial literacy that must be addressed globally (see also Chapter IV for a snapshot of global trends for young people identified through the PISA Financial Literacy Option 2012).

When it comes to knowledge, if it is true that a majority of individuals display an understanding of basic financial concepts, a substantial proportion of the population in every country surveyed struggles with concepts such as compound interest or risk diversification. With respect to financial behaviour, individuals tend to be relatively good at short-term money management. They also tend to display behaviours that undermine financial resilience, and hence well-being (see also section "Financial well-being as an outcome of financial education policies"), such as over-reliance on credit, and difficulties in planning spending as well as building a financial safety net through the choice of appropriate products. This picture tends to be worse among the individuals that are recently financially included, and as such have less familiarity with financial services and concepts.

The 2015 OECD/INFE survey will provide an updated picture of these major trends which will further inform the implementation of national strategies and allow participating countries to benchmark themselves against others.

⁴ See regional reports for results per region: Africa, Messy and Monticone, 2012; Latin America and the Caribbean, García, N., Grifoni A., Lopez J., Mejia, D., 2013; Asia/Pacific, OECD/INFE, 2015a forthcoming; and Europe, OECD/INFE, 2015b forthcoming.

TOOLS COMPLEMENTING FINANCIAL LITERACY SURVEYS OF THE GENERAL POPULATION

Countries are also employing other tools to collect quantitative and qualitative information on the population's needs. This can allow public authorities to analyse, qualify and understand the reasons behind the quantitative evidence provided by surveys.

These are typically gathered through the analysis of consumer complaints in a small range of countries which in most cases are closely linking the development of their National Strategy with financial consumer protection measures. In addition, opinion polls and financial markets reports are instrumental in drawing a more distinct picture of consumers' views and attitudes towards financial issues on the one hand, and in identifying the main issues affecting the financial system on the other.

In countries where several waves of financial literacy surveys have been conducted, it is also possible to engage in a deeper analysis of the data collected, co-operating with universities or research institutions, and in some cases incorporate additional levels of analysis in the survey, such as a comparison between the demonstrated financial literacy and the self-perception of individuals (New Zealand). This additional examination can also include ethnographic research, which is undertaken in countries such as the United Kingdom to better understand families' financial behaviours.

Moreover, depending on the needs arising in the implementation of the national strategy, some countries have undertaken surveys focused on specific segments of the population. For instance in the Netherlands, the Ministry of Finance has surveyed the financial literacy levels of young people and the pension awareness of the working population; in Japan the Central Council for Financial Services Information (see Table 3.2) has conducted specific surveys on youth (see case studies for both countries); in Indonesia, the Financial Services Authority has focused on the financial literacy levels of housewives and of SMEs in 2014.

The population's needs and vulnerabilities that emerge from surveys can also be assessed further and more specifically through the use of focus groups addressing specific policy areas or financial literacy gaps. In Brazil for example, the Central Bank has conducted a focus group research in order to better understand problems relating to indebtedness levels and debt delinquency (see case study). In the Netherlands consumer focus groups were convened to better understand their experiences with financial decision making.

KEY LESSONS LEARNT IN MEASURING FINANCIAL LITERACY

Methodology and tools

Changes and updates in instrument design have followed the development of national strategies and the improved understanding of the determinants of individuals' financial literacy and decision-making process. The methodology and scope of survey instruments aimed at measuring financial literacy have consequently evolved to measure financial behaviours and attitudes to a greater extent.

Regarding the assessment methodology, the following key lessons have been identified:

- Conducting cognitive pre-testing of questions is particularly relevant to assess their suitability especially for specific target groups, including the underserved or the low literate population;
- In a rapidly changing financial context, some questions might become redundant over time, and updates to the survey instruments are necessary (see also “OECD/INFE Financial Literacy and Financial Inclusion Measurement toolkit” at the end of this chapter); reviewing and updating questions is also necessary to make sure they answer what is sought and are interpreted correctly by individuals taking the questionnaires;
- The time required to gather evidence can be longer than expected (typically lasting at least 6 months). This should be carefully taken into account when planning a survey and a national strategy; particular consideration should also be given to the sample selection, to make sure it reflects domestic socio-cultural and economic differences;
- Conducting longitudinal surveys (when the same sample of the population is assessed through multiple surveys over time), if feasible, is extremely valuable. This allows for a better identification of trends in consumers' behaviours and of the effects of financial education policies and programmes. The difficulties in following individuals over time must however be properly addressed in the design phase.

Finally, it is worth underlining that fully-fledged measurements of financial literacy of the population are resource-intensive and cannot be conducted on a yearly basis. More regular and simpler measurement instruments complementing the in-depth financial literacy measurement surveys can be beneficial (see also Box 4 “The development of financial literacy and behaviour indicators to monitor the overall national strategy”). This brings additional advantages: the alignment of questions and measurement between the two survey categories can also help to test the validity of findings coming from the two types of exercise.

Some additional lessons can be drawn from the experiences of countries conducting assessments. These mainly relate to the benefits they bring in terms of facilitating the objective-setting process and identifying target audiences.

Usage in the development of national strategies

Results from the quantitative and qualitative assessments are especially valuable to develop and implement national strategies, and in particular to design evidence-based roadmaps and action plans. Indeed they can:

- Be used to highlight priority policy areas, and to design appropriate materials specific to each of them;
- Permit a detailed prioritisation to happen at an early stage by identifying key target groups or priority topics, and make agreeing on common goals easier and more convincing;
- Ensure sound policy and media support for the strategy;
- Deliver useful information on supply-side aspects and in particular the suitability of available financial products and services. The assessment of the population's financial literacy needs may, for instance, reveal that the financial products offered by national financial institutions do not meet the needs of important segments of the population.

The advantages brought by conducting a national measurement of financial literacy confirm that this should remain a priority for countries implementing national strategies for financial education. But beyond such surveys and resource permitting, a range of complementary tools can be considered to refine the delivery approach and target segmentation. These include more-in-depth secondary analysis of the data (based on the results of surveys), as well as detailed qualitative research or horizon scanning.

Case studies

The following examples provide an overview of the measurement tools used by economies that differ both in terms of financial markets development and financial literacy needs. The definition and scope of these tools also offer interesting insights into the evolution of the understanding of financial literacy and the impact this has on the survey instruments.

Australia, the Netherlands, New Zealand and the United Kingdom, are examples of how changes in the understanding of financial literacy and the examples of international instruments have resulted in a progressive evolution of the survey tools, and notably to the inclusion of questions on behaviour and attitudes as crucial elements of these assessments.

More specifically, the Australian survey, funded by a national private financial institution with inputs from ASIC and the research community, is used to inform public policy and also demonstrates positive outcomes for those participating in financial education programmes. The Netherlands presents how changes in the measurement approach have been matched by a new focus of the national strategy on responsible financial behaviour. The experience of New Zealand shows how a variety of measurement tools can be used simultaneously to keep track of evolutions in levels of financial literacy among the population, fine-tune public policy and refine programmes on an annual basis. It also shows how this allows gaining a deeper understanding of financial literacy through the cooperation with a public university.

In Japan, a household finances survey has been conducted for over 60 years; the Spanish experience showcases the use of a household survey to help public authorities breaking down the population into homogenous groups according to their learning needs. In both economies, additional dedicated measurement focuses on young people, in Spain through the participation in the PISA Financial Literacy Option, and in Japan through a specific survey undertaken of children and students in the formal education sector.

Finally, the case of Brazil and Hong Kong, China show how identified gaps emerging from financial literacy measurement surveys and economic data can lead to dedicated investigations through the use of focus groups, in this case targeting respectively over-indebtedness and money management.

NATIONAL MEASUREMENT SURVEYS

CASE STUDY: AUSTRALIA

An established national survey providing insights on financial literacy levels and on the effects of policy interventions

In Australia, the ANZ Survey of Adult Financial Literacy (the ANZ Survey) is the national benchmark financial literacy survey (ANZ, 2014; ANZ, 2015). It is one of a kind in Australia and among the most frequently repeated financial literacy surveys in the world. First conducted in 2002 and published in 2003, the ANZ Survey has been repeated in 2005, 2008, 2011 and 2014. The latest survey was published in May 2015.

The broad objectives of this time series research are:

- monitor how aspects of Australians' financial literacy have changed over time;
- inform public policy, particularly as it relates to community segments with low financial literacy and encourage continued attention on this important policy area; and
- provide a valuable information resource that will assist in the development of strategies to improve financial literacy in the community.

The ANZ Survey is conducted by telephone of a random sample of approximately 3,500 Australian adults aged 18 and over. Respondents answer a set of core questions, with further questions targeted at particular sub-groups to ensure knowledge is tested against an individual's needs and circumstances. For example, only those people who have insurance are asked what factors they considered when renewing an insurance policy. A measure of Australian's financial literacy knowledge is calculated from three main variables: numeracy, financial understanding and competence and awareness of financial responsibilities. The sample is stratified by capital city/regional area in each state and territory to match the sample distribution obtained in previous surveys.

As the financial landscape and the concept of financial literacy have continued to evolve, so has the ANZ Survey. While still monitoring Australians' financial literacy against the benchmark measures established in 2002, the research

framework and questionnaire have been refined slightly each time it is conducted to add or modify some questions, for example to reflect changes in the external environment (e.g. technological and sociological changes, the impact of the financial crisis), international developments (e.g. the development of an international financial literacy questionnaire by the OECD/INFE) and the findings of the latest research in the field (e.g. pointing to the importance of attitudinal and other factors). ANZ use a 'steering group' to guide the updating of the survey questions and reporting. The steering group each time has comprised a senior representative from the Australian Securities and Investments Commission (ASIC), a senior representative from a consumer advocacy agency and at least one senior representative of ANZ.

For the first time, the 2011 ANZ Survey identified five behaviours that are indicators of financial literacy (keeping track of expenses; planning ahead; choosing financial products; staying informed; financial control, in line with the OECD/INFE Measurement Toolkit). The 2011 Survey also identified the groups within the population that perform well against these and the groups that do not; and examined relationships between financial attitudes and reported behaviours, highlighting the implications for financial education programmes. For example findings suggested that effective programme design for financial education needs to find a way to engage people and help overcome the stress that some people associate with dealing with money to build confidence and self-efficacy.

The findings from the ANZ surveys series confirm that financial literacy is complex, and that:

- individuals and groups may perform well on some components of financial literacy but not others;
- people's financial attitudes affect their level of financial literacy quite strongly; other factors that come into play are age, financial knowledge and numeracy, household income, education and occupation; and
- many people underestimate the extent of their own knowledge gaps. So their behaviour, even in simple day-to-day money management, may not be consistent with how confident they are in their abilities.

While the surveys demonstrate that low financial literacy may be found in any demographic group regardless of age, gender, occupation, income or education, the groups in Australia where lower levels of financial literacy are more likely to be encountered are:

- people who are relatively young (under 25 years);
- people with no formal post-secondary education;
- people with relatively low levels of income and assets (e.g. those whose main source of income is a Government benefit or allowance; those with annual household incomes below AUD 25,000; those with less than \$2,000 in savings and investments);
- people working in lower blue collar occupations (particularly males under 35);
- women (particularly those under 35 and over 70).

The ANZ surveys thus assist policy makers, industry, community organisations, researchers and other key stakeholders to better understand the factors associated with financial literacy in the Australian context and to develop evidence-based targeted initiatives and programmes.

In particular, the findings have contributed to financial literacy policy development at a national level in Australia, with the first ANZ Survey (2003) informing the establishment of a dedicated Consumer and Financial Literacy Taskforce in 2004 and subsequently the Financial Literacy Foundation, whose functions were transferred to ASIC from mid-2008. The insights from ANZ surveys in 2008 and 2011 have influenced subsequent national initiatives to improve Australians' financial literacy, such as the development of national financial literacy strategies in 2011 and 2014. They have also helped ASIC to better target and focus its financial literacy efforts, for example through ASIC's MoneySmart website⁵ and ASIC's MoneySmart Teaching initiatives.

Lastly, the ANZ Survey findings have shaped ANZ's own financial capability programmes: MoneyMinded, MoneyBusiness and Saver Plus (RMIT University, 2015). These three programmes focus on building the money management skills and savings of people from disadvantaged groups in Australia, New Zealand and Asia Pacific.

The evidence from these long standing programmes shows a range of positive outcomes for participants from targeted financial literacy programmes, such as new financial skills and knowledge, increased confidence and longer-term behavioural change, and has helped drive innovation in programme development and design in the field.

⁵ <https://www.moneysmart.gov.au/>

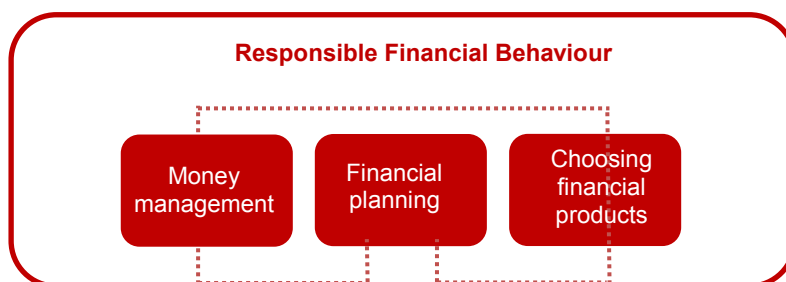
Redefining measurement tools to capture “responsible financial behaviour”

Before defining a National Strategy for Financial Education, the Netherlands performed a baseline study on financial insight in 2007. The main goals of the initial survey were to identify specific areas of concern related to financial insight of the Dutch population and establish a baseline against which progress could be measured. The baseline survey developed in the United Kingdom was used as the basis of the first survey. The survey also has strong overlap with the OECD/INFE instrument of 2010.

In the years following the publication of the National Strategy, a survey was carried out on a yearly basis. These *Public Monitors* contained subsets of the original survey. In addition, a number of questions were added to address topical developments.

In 2013, the National Strategy of the Netherlands was redesigned (Money Wise Platform, 2014). This revision also entailed a shift in its focus, from the increase of financial knowledge to the promotion of responsible financial behaviour. As an important input to the strategy, the survey was redesigned towards a financial behaviour monitor.

The Dutch Nibud (National Institute for Family Finance Information) used the five domains of financial literacy identified by the OECD in its development work on assessing financial literacy. The Public Monitor was revised on the basis of these studies. In the revised monitor, the first two domains of the OECD model (financial control and making ends meet) are combined in a single new domain (money management). The fifth domain (knowledge and understanding) is included in the revised version as a possible influencer of responsible financial behaviour. The aim of the new monitor is to obtain insight into (developments in) the financial behaviour of the Dutch. The results of the research show that responsible financial behaviour is not a single dimension but consists of behaviour within at least three domains that are largely unrelated.



These three dimensions are: money management, financial planning and choosing financial products. Money management is defined as making ends meet and monitoring income and spending; financial planning means anticipating events and risks that influence finances in both the short and long term, and choosing financial products involves carefully considering purchasing of financial products and evaluating the financial products purchased. Responsible behaviour in one of the domains does not by definition imply responsible behaviour in the other domains. The research shows only a slight correlation between the three domains. This means that the advancement of responsible financial behaviour must focus on all three of these aspects. In addition, the research shows that it is worthwhile to invest in “core values” and “involvement”. Knowledge turns out not to be a significant influencer of responsible financial behaviour.

The second financial behaviour monitor – executed in 2014 – showed that short term financial behaviour slightly improved, whereas long term financial behaviour slightly worsened. Respondents indicated that they are more positive and optimistic about their household budget compared to a year earlier. People pay more attention to their day-to-day financial situation; they have fewer payment arrears and have (re)built a buffer for unexpected expenditures in the short run. At the same time, the results show that a smaller portion of the population is looking further than 10 years ahead. People are less inclined to prepare for life events. For example, the number of people that do not plan to take measures against the financial implications of unemployment has increased to 41%.

In addition to these general yearly surveys, specific recurring surveys have been undertaken to address specific target groups or particular issues. In 2009, 2011 and 2013, junior monitors were held to identify financial knowledge, skills and attitudes of children and youth. From 2010 through to 2014, *pension monitors* were executed to address pension awareness of the Dutch working population.

In 2015, the Netherlands is participating in the OECD financial literacy survey (see at the end of this chapter “OECD/INFE Financial Literacy and Financial Inclusion Measurement Toolkit”).

Evolution from the measurement of knowledge to the analysis of behavioural elements

In the last decade, three forms of national surveys of adult New Zealanders' financial literacy have been carried out. These surveys began with a focus on financial knowledge but since 2011, in keeping with a broader understanding of the nature of financial literacy, more behavioural elements have been included.

The surveys were:

- Three financial knowledge (and behaviour) surveys in 2005, 2009 and 2013 (ANZ/Commission for Financial Literacy and Retirement Income, 2013). Each wave was a joint project involving the Commission for Financial Capability (CFFC, formerly Commission for Financial Literacy and Retirement Income) and the Ministry with responsibility for economic development, with support from a private research company and sponsorship from ANZ Bank. The methodology required 850 face-to-face interviews of 55 minutes duration each year;
- Beginning in 2011, the CFFC commissioned a shorter (ten minute) online survey which has been carried out every six months to derive a "Financial Behaviour Index" (see Box 4 "The development of financial literacy and financial behaviour indicators to monitor the overall national strategy")⁶;
- The Financial Education and Research Centre at Massey University has initiated a longitudinal survey of 300 New Zealanders, to be repeated every five years for the next 20 years (Fin-Ed Centre at Massey University, 2013).

Rationale and objectives

The first financial knowledge survey set out to achieve the following objectives:

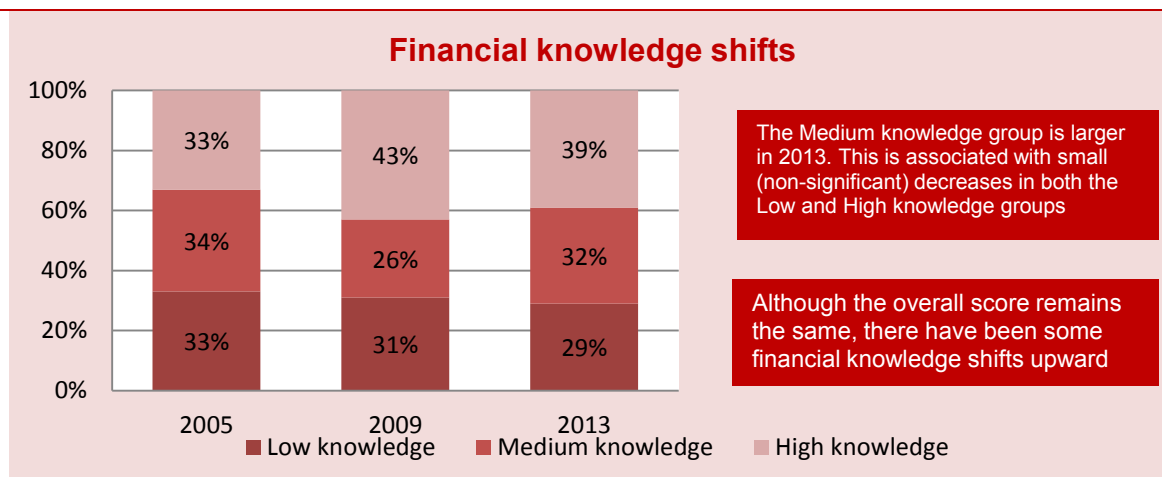
- To identify areas of low financial knowledge, by topic and population, and to assist educators to improve literacy in those areas;
- To develop benchmark measures of financial knowledge across the entire adult population and key segments so that trends could be measured and programmes targeted at areas of need;
- To assist the financial services industry to identify which aspects of financial skills, products or services were causing the greatest problems for New Zealanders and thus improve design or communication;
- To assist in the development of law reform programmes to provide effective consumer protection and address real issues facing individuals; and
- To identify participation rates, investment behaviours, habits and levels of sophistication of retail consumers in New Zealand's securities market.

The Financial Behaviour Index was developed out of a recognition that the larger survey had a four-year cycle and given rates of change, more frequent monitoring was required. The Index tracks movements in core financial behaviours and (based on precepts of behavioural economics) is designed to provide feedback and influence change at the level of individual respondents and the system as a whole. Massey University's longitudinal survey aims to understand respondents' needs for financial knowledge at different life stages.

Key results

Results across the three Financial Knowledge and Behaviour Surveys showed that overall, New Zealanders had reasonable levels of personal financial knowledge and these did not change very much. However, there were some significant shifts in specific facets of knowledge and there remained considerable gaps between knowledge and action.

⁶ The results of the Financial Behaviour Index data from 2011 are available at <http://www.cffc.org.nz/research-and-reports/financial-capability-research/>



The first wave of the Massey survey had some interesting findings, for example that parents and families are major sources of financial knowledge for young New Zealanders. The second wave will show the extent to which this situation has remained the same or changed as participants have got five years older.

Outcomes and other learning

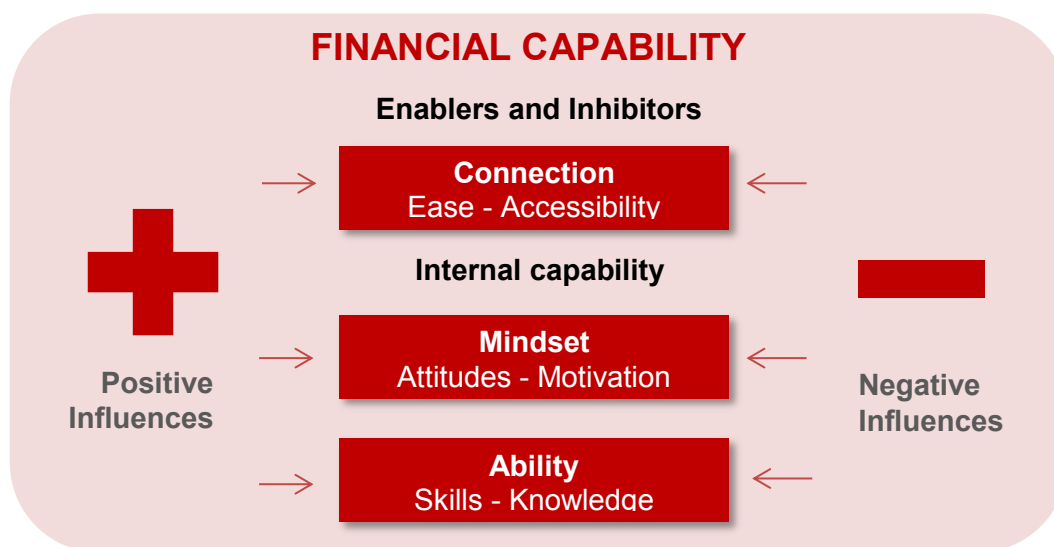
The following lessons have been learnt as a result of the development and use of these survey instruments by the CFFC in New Zealand:

- Survey findings have informed priority-setting and change, for the CFFC in particular and the financial education field in general;
- It has been useful to complement the relatively infrequent, in-depth Financial Knowledge and Behaviour Survey with the regular, easier to implement Financial Behaviour Index. In particular, the alignment of questions and measurement has helped to test the validity of findings coming from the two methodologies; and
- National surveys are suitable for measuring systemic change but there is a limit to what they can do: the system is highly complex and causation is very difficult to isolate. As such, these must be complemented by additional tools and qualitative research to understand the evolution of financial literacy of the population.

Including attitudes and motivations as components of financial literacy

The Money Advice Service (MAS) is currently developing an updated national survey on financial capability. This is based on the 2005 national survey on financial capability was developed alongside the first UK National Strategy⁷.

Since then, the understanding of financial capability has evolved, and attitudes and motivations are now considered as essential components of financial capability (Money Advice Service, 2014). To begin refining the national survey, MAS has developed an updated model of financial capability, incorporating new evidence and insights about what drives people’s financial behaviours (see diagram below, and also the section “Financial well-being as an outcome of financial education policies”). After developing and agreeing this model, in consultation with a wide range of stakeholders, MAS conducted an evidence review to understand the indicators of each of these elements (NPC, 2014).



This has also led to a redefinition of the question set. The questions used in previous national financial capability surveys were reconsidered to see where additional questions were needed to reflect the updated understanding of financial capability. MAS has also cross-referenced the latest question set against other ongoing national surveys, in order to ensure consistency among the measurement instruments used.

MAS worked to ensure a degree of continuity and comparability between national surveys, whilst also incorporating new insights about financial capability into the measurement questions. To validate this question set, comment and input were sought from a panel of research and evaluation experts from government, industry, third sector and academics. Before beginning fieldwork, the question set was also user-tested with consumers.

⁷ Details on how this was developed, along with the results from that tracker can be found here: <http://www.bristol.ac.uk/media-library/sites/geography/migrated/documents/pfrc0602.pdf>

Longitudinal surveys

CASE STUDY: JAPAN

A variety of measurement tools adapted to different audiences

In 2011 Japan conducted the first “Financial Literacy Survey (Japan)” targeting individuals aged over 17 to grasp their knowledge and behaviours about financial issues (Central Council for Financial Services Information, 2012). This is now repeated periodically.

In addition, Japan conducts the “Survey of Household Finances” on an annual basis to understand the situation of assets, liabilities, and financial planning in Japanese households. From this survey, which has been conducted for about 60 years, Japanese authorities can assess the status of households’ financial assets and liabilities, whether they are making ends meet and whether they are making financial plans.

Furthermore, Japan also focuses on the measurement of financial literacy of specific target groups. In 2006 and 2011 it conducted the “Survey on Life and Money of Children,” targeting pupils and students in elementary schools, junior high schools, and high schools. This survey examines the basic knowledge about the economy and the financial system, awareness on money matters, and daily life related to money such as allowances of children.

CASE STUDY: SPAIN

A longitudinal survey of household finances

The Spanish Financial Education Plan was launched in 2008 with the aim of improving the financial literacy of the population so that citizens can deal confidently with the evolving financial context. The Plan analysed the behavioural patterns and financial preferences of Spanish families using information obtained from the Survey of Household Finances (“EFF” by its Spanish acronym), which is conducted by the Central Bank. In order to optimise resources, the population was broken down into groups with homogeneous learning needs who may access, in some cases, the same delivery channels.

The EFF collects detailed information on household assets, debts, income and consumption. It has now been conducted on four occasions and the fifth wave is under way. This survey has been specially designed for the study of household wealth, and therefore incorporates an oversampling of wealthy households, while also providing a representative picture of the structure of household assets and debts. It is also designed to allow comparisons with European wealth surveys (collectively described as the Household Finance and Consumption Survey).

Another important characteristic of the EFF is the use of longitudinal surveys: from the second edition onwards, some of the households that participated in previous editions have been re-interviewed. Thus there is a sub-set of households that can be observed at various points in time and, in some cases, over a period of nearly ten years.

The EFF questionnaire is divided into nine main sections⁸:

- Demographics;
- Real assets and their associated debts;
- Other debts;
- Financial assets;
- Pension plans and insurance;
- Labour market status and related income;
- Non-labour income in the previous calendar year;
- Means of payment;
- Consumption and savings.

Questions on assets and debts refer to the household as a whole, while those on labour market status and related income are for each household member over the age of 16.

Based on this analysis, the first Financial Education Plan targeted Spanish families according to the distribution of assets, households’ debt and attitudes towards financial risks.

⁸ Micro data, the questionnaire, methodology, descriptive results reports and more information can be found at: http://www.bde.es/bde/en/areas/estadis/Otras_estadistic/Encuesta_Financi/

📖 CASE STUDY: BRAZIL

The use of focus groups to investigate over-indebtedness

Measurement surveys conducted in Brazil have identified worryingly spendthrift behaviours among the population; at the same time the analysis of economic data reveals a high percentage of household income that goes to pay off debts. It is in this context that the Central Bank has carried out a national focus group study to investigate the debt problems of Brazilians.

The focus groups had three main objectives: (i) Understanding the main reasons and the process that ultimately lead financial services consumers to over-indebtedness and credit restrictions; (ii) Evaluating the level of consumers' comprehension about credit products; and (iii) Identifying potential lines of action that could mitigate the effects of over-indebtedness, delinquency and credit restrictions.

The study was conducted between August and October 2014 in four metropolitan areas (Rio de Janeiro, São Paulo, Recife and Porto Alegre) with two focus groups in each area. Each focus group had eight to 10 participants from 20 to 80 years old. Participant consumers were selected considering their income level and their restrictions in credit bureaux.

The study identified three main reasons for the beginning of an over-indebtedness process. These reasons, as reported by consumers, are: (i) Unexpected events (job and income loss, illness, family member illness, unexpected pregnancy, death of main household provider, divorce); (ii) Lack of financial planning (impulsive shopping, excessive instalments, impulsive and uncontrolled use of credit lines); and (iii) Bank loans or credit lines used on behalf of others (family, friends). The Survey also revealed other consumers' perceptions about debt, credit and their over-indebtedness situation, which will be instrumental in refining the financial education policies part of the Brazilian national strategy.

Consumers' perceptions on over-indebtedness

Participant consumers believe that credit lines are extremely useful and beneficial when used conscientiously. However, several of them also believe they conceal "traps" that can lead to excessive debt, with significant financial and emotional impacts. Some of the traps mentioned were excessive offer of credit lines, unsolicited credit granting or increase of credit limits above payment capacity and high interest rates, especially interest rates associated with the minimum payment in credit cards. Additionally, consumers reported that low flexibility in renegotiating debt and high interest rates make it more difficult for people to exit an over-indebtedness problem.

Several participants deemed themselves responsible for their debt problem. Nevertheless, they also deemed financial institutions responsible for the aforementioned "traps". Participants who showed better comprehension of their debt problems and recognised their own responsibility for the excessive debt were more likely to adopt behaviour changes regarding their financial planning.

The study revealed that a large proportion of participants had only realised that they had a debt problem when they could no longer afford any payments at all. When confronted with debt problems, participants looked for guidance among friends and family and tried to renegotiate their debt with creditors. However, according to participants, creditors tend to offer better payment conditions only when the 'limitation period' is about to expire (5 years). According to the Brazilian Civil Code, a creditor loses the right to collect a debt after five years but the debtor may still be the subject of a lawsuit, which can be expensive, complicated and risky for the creditor. For this reason creditors prefer to offer better payment conditions and solve the issue in an easier way before the end of the limitation period. As a result, several consumers reported that they stop repaying their debts until the limitation period expires or until the creditor offers better payment conditions. Several participants reported that they use credit cards and bank cheques from others (family and friends) if non-payment results in restricted access to credit.

Some of the respondents believe that, despite the negative experience, they had learned important lessons on how to handle their personal finances. Consumers reported that, after their over-indebtedness situation, they adopted better practices in personal financial managing such as the use of spreadsheets to track income and expenses, increasing savings, planning ahead of time, limiting the acquisitions of more expensive goods and a stricter control of credit card expenditure.

Moreover, based on their own experiences, participants indicated ways to avoid and, perhaps, get out of excessive debt situations. Consumers suggested attitudes such as controlling the family budget through spreadsheets, cancelling all but one credit card, saving money and building some financial reserve, not accepting many credit lines or high credit limits beyond payment capacity, accepting debt renegotiation only when the creditor reduced the interest rate, and, finally, refraining from buying many goods on instalment plans.

Focus groups and additional quantitative evidence to understand money management

The Investor Education Centre (IEC) of Hong Kong, China, identified money management as one of the overarching themes of its actions when conducting its financial knowledge and capability foundation study (IEC, 2013).

In order to further inform activities under this theme, the IEC commissioned a research study about people's knowledge, attitudes and behaviour towards money and debt management (IEC, 2014a). The study, conducted between October 2013 and January 2014, was conducted to understand knowledge, attitudes, and behaviour towards various aspects of money management such as budgeting, spending, savings and investment; to look into attitudes and behaviour towards borrowing; and to identify knowledge and capability gaps for the IEC's education work.

The research was conducted in two phases. A first, qualitative phase with focus groups, and a second, quantitative phase with interviews through questionnaires.

First phase - qualitative approach

Five focus groups were conducted in October 2013 with the following group compositions:

- Group 1: Full-time tertiary students;
- Group 2: Young working adults aged 23-34 (singles or couples without children);
- Group 3: Mature working adults aged 35-49 (singles or couples without children);
- Group 4: Families aged 35-49 with children below 18;
- Group 5: Pre-retirees or retirees aged 50-65.

This qualitative approach was complemented by additional in-depth interviews conducted with debtors at various levels of indebtedness.

Second phase - quantitative approach

This phase was undertaken through a two-stage sampling approach. The first stage was conducted among 1500 members of the general public aged 18-64. The territory's population census was applied to the sample to achieve representativeness based on a quota on age, gender, residential districts, working status and personal income. The second phase consisted of booster interviews conducted at least 500 people who had borrowed money over the past 12 months. A total of 284 interviews with borrowers were conducted in the first stage followed by an additional 216 interviews in the second stage.

Results

The research allowed the IEC to gain additional information on the financial position of citizens, their financial concerns and goals as well as their money management styles and their self-rating on money management capability. The IEC focused its analysis in particular on day-to-day money management, wealth management and debt management.

Overall, the financial position of the population was good with 76% maintaining a surplus and 17% living within their means. Nonetheless, the research identified areas for improvement and the findings informed the future policies and programmes of the IEC.

OECD/INFE FINANCIAL LITERACY AND FINANCIAL INCLUSION MEASUREMENT TOOLKIT

The OECD/INFE financial literacy and financial inclusion measurement toolkit incorporates a core questionnaire (also described as a measurement tool) and methodological guidance, including guidance on whom to interview, and how to prepare the interviewers for their task (OECD/INFE, 2015; OECD/INFE, 2013b). It also includes additional questions that can be used to enrich national datasets.

This toolkit provides:

1. an initial measure of financial literacy to identify national levels of financial literacy, provide a baseline and set benchmarks for national strategies or particular programmes;
2. a description of levels of financial literacy in terms of key socio-demographic groups and explanatory variables that will enable policy makers to identify the needs of the population, the groups with the greatest needs and the gaps in provision;
3. the opportunity to conduct repeat measures of financial literacy to identify change over time and;
4. a comparison of levels of financial literacy across countries.

The initial 2010 Toolkit covers topics such as keeping track of finances, making-ends-meet, longer-term financial planning and choosing products. It also includes questions on product awareness and holding in order to inform work on financial inclusion.

The Core Survey

The survey comprises questions that have been selected from existing national good practices, and covers financial knowledge, behaviour and attitudes relating to the aspects of financial literacy that are relevant to financial well-being, such as budgeting and money management, short and long term financial planning, and financial products choice. It also allows gathering key socio-demographic details of the surveyed sample, including age, gender and income levels.

Methodology

The toolkit includes methodological notes, to ensure that the data sample collected is comparable across countries and that the survey is undertaken appropriately in order to maximise its relevance. These include instructions for briefing interviewers so that they gather information of a high quality, with detailed guidance on specific questions if needed. The toolkit also recommends an achieved sample of at least 1000 individuals aged 18+, and recommends that interviews are done face to face or over the telephone

Development and use

The toolkit was developed in 2009 by an INFE expert subgroup and first used in an international assessment in 2010 across 14 Countries: Albania, Armenia, British Virgin Islands, the Czech Republic, Estonia, Germany, Hungary, Ireland, Malaysia, Norway, Peru, Poland, South Africa and the UK.

Since 2010, about 30 countries have used the OECD/INFE questionnaire to collect data on financial literacy to inform their policies or strategies using some, or all, of the OECD tool, and at least three of these have done so twice (Estonia, Peru and South Africa).

More recently, the Toolkit was also used by the Development Bank of Latin America (CAF) to undertake the first baseline survey and comparative analysis of financial literacy and inclusion levels in four Andean countries: Bolivia, Colombia, Ecuador and Peru (Mejia, D., 2014). Policy specialists from CAF that have worked in cooperation with the OECD Secretariat have underlined how the results will be instrumental in identifying target groups by socio-demographic characteristics as well as vulnerabilities. The data will provide both a baseline and an audience segmentation that will be the basis for the implementation of evidence-based national strategies for financial education in the Andean economies.

Update of the Toolkit

The Toolkit has been updated in 2015 in order to ensure that it continues to be an adaptable and relevant instrument to measure financial literacy in light of evolutions in the understanding of financial literacy and developments on the ground (OECD/INFE, 2015). The Toolkit is publicly available and the OECD/INFE Secretariat encourages its use. This was done in consultation with members of the OECD/INFE, to incorporate additional questions and capture more data on issues that have been increasingly identified as pressing within national strategies, such as:

- financial well-being;
- confidence in own financial knowledge;
- the setting of personal financial goals;
- financial planning for retirement;
- experience of fraud (to understand possible exposure to pyramid type schemes, phishing scams, as well as unauthorised use of cards); and
- exposure to different media channels (to subsequently chose delivery mechanisms appropriate to each target audience identified).

2015 OECD/INFE Survey

The revision preceded the launch of a new international measurement exercise through the OECD/INFE. This has also been dictated by the increase in the number of countries developing or implementing a National Strategy for Financial Education, which will need either a baseline survey or additional data to track changes and progress among their target audiences as well as the general population.

Over 30 countries are expected to participate in this exercise, which will lead to a dedicated OECD analysis and report in 2016. This second international, comparative measure will allow the original countries that participated in 2010 to track changes across their population and see how these compare with other countries. It will also give new countries the opportunity to participate in an international comparison and benefit from inclusion in the cross-country, comparative analysis by the OECD Secretariat.

CHAPTER 3. ESTABLISHING INSTITUTIONAL AND GOVERNING ARRANGEMENTS: THE ROLE OF STAKEHOLDERS IN THE NATIONAL STRATEGY

As highlighted in the OECD/INFE High-level Principles on National Strategies for Financial Education, establishing an institutional framework tailored to national circumstances requires transparent co-ordination and governance mechanisms with an identified leading authority or body as well as shared but clearly defined roles and responsibilities for relevant stakeholders.

This is facilitated by the presence of clear explicit mandates on financial education. However, obtaining a legal mandate for the national strategy can be challenging: it can require legislative action or the revision of institutions' founding acts. As a consequence an increasing number of institutions are deriving a legal mandate for financial education through other responsibilities.

The experiences of countries in designing institutional and governing arrangements are diverse and depend on national circumstances. Overall, this phase requires high levels of co-operation, agreement on the national strategy's objectives, as well as the definition of appropriate guiding rules for private sector involvement.

This chapter encompasses trends in the development of mandates on financial education, including in combination with financial consumer protection, issues relative to the different types of governance models as well as to the role of the private and not-for-profit stakeholders. It also draws lessons learnt from the experiences of countries with different cultural and institutional settings.

MANDATES ON FINANCIAL LITERACY/EDUCATION

Despite the increasing number of national strategies for financial education (see Table 1.1) and the visibility of the issue, a relatively small number of countries have assigned a formal explicit mandate to improve financial literacy to a public authority(ies). Where such a mandate exists, it generally belongs to either the Ministry of Finance, a financial regulatory or supervisory authority, the central bank, the Ministry of Education or dedicated financial education committees.

In some cases, the mandates are not explicit but can be implied from other responsibilities assigned to the institution, such as the provision of unbiased information on economic and financial matters to citizens in the case of central banks. Mandates can also be granted by laws or regulation, as in the Czech Republic where the Ministry of Education received a formal mandate through the law introducing mandatory financial education in the school curriculum, or as in New Zealand where the Commission for Financial Capability tacitly draws its mandate from the Superannuation and Retirement Income Act (New Zealand Government, 2001). This mandate has been further strengthened by the release of the Government statement Building financial capability in New Zealand, which identifies financial capability as a priority for the Government (New Zealand Government, 2015).

Mandates on financial education can also be linked to other policy areas, such as financial inclusion (the Superintendence of Banking, Insurance and Private Pension Funds, SBS, in Peru), responsibility for a national curriculum that also offers economic education (Ministry of Education in Estonia) or financial consumer protection (see Box 3.1). Mandates can also be explicit but given more generally to all financial sector regulators (capital market, insurance, pension authorities and central banks) as in Colombia and India.

A categorisation of the financial literacy/education mandates based on their sources is provided in Table 3.1.

**Table 3.1 Nature of financial education mandates
(selected examples)**

Source	Economy and Institution
<p>Explicitly enshrined in the institution's founding act or its revisions ("financial education/empowerment" and/or "financial literacy/capability/etc." are mentioned)</p>	<p>Australia - Australian Securities and Investments Commission (ASIC) Canada - Financial Consumer Agency of Canada (FCAC) Estonia - Financial Services Authority Indonesia - Financial Services Authority Japan - Financial Services Agency and Central Council for Financial Services Information South Africa - Financial Services Board Turkey - Capital Markets Board United Kingdom - Money Advice Service</p>
<p>Implied from other responsibilities (for example: provision of information to consumers, ensuring a smooth functioning of financial markets, financial consumer protection mandates, etc.)</p>	<p>Armenia - Central Bank Latvia - Financial and Capital Market Commission (FCMC), (in accordance with Law on the FCMC) Lebanon - The <i>Institut des Finances Basil Fuleihan</i> Indonesia - Bank Indonesia Malaysia - Central Bank (<i>Bank Negara Malaysia</i>) New Zealand - Commission for Financial Capability (from the Superannuation and Retirement Income Act) Peru - Superintendence of Banking, Insurance and Private Pension Funds (SBS) (from financial inclusion) Portugal - Central Bank (<i>Banco de Portugal</i>), Portuguese Securities Market Commission and Portuguese Insurance and Pension Funds Supervisory Authority Spain - Securities Market Authority (<i>Comisión Nacional del Mercado de Valores</i>, CNMV) (from protection of investors) and Central Bank Thailand - Bank of Thailand (raise people's standard of living and ensure financial stability)</p>
<p>Granted through primary legislation (an act from parliament, legislative assembly, etc., giving your institution a clear mandate for financial education in the context of a specific policy or reform)</p>	<p>Czech Republic - Ministry of Education Hong Kong, China - Investor Education Centre (amendment of the Securities and Futures Ordinance, 2012) Mexico - Committee on Financial Education (Law to regulate financial groups) United States - Financial Literacy and Education Commission (Fair and Accurate Credit Transactions Act of 2003)</p>
<p>Given through secondary legislation (Financial markets regulation, government decree, National Development Plan, etc.)</p>	<p>Brazil - The National Committee for Financial Education, CONEF (Presidential Decree) Russian Federation - Ministry of Finance Spain - Ministry of Economy (Royal Decree)</p>

Box 3.1 Financial consumer protection and financial education responsibilities: synergies and operational challenges

Financial education and financial consumer protection policies are, together with financial inclusion, essential to foster financial well-being and part of the trilogy for the financial empowerment of consumers. The importance of combining financial education and financial consumer protection policies has been acknowledged at the highest levels, and notably by the G20.

The G20 High-level Principles on Financial Consumer Protection (G20/OECD, 2011), designed to assist policy makers to enhance financial consumer protection, include Financial Education and Awareness as one of their ten pillars. Principle number 6 states that:

“Financial education and awareness should be promoted by all relevant stakeholders and clear information on consumer protection, rights and responsibilities should be easily accessible by consumers” and that “Taking into account national circumstances, financial education and awareness should be encouraged as part of a wider financial consumer protection and education strategy, be delivered through diverse and appropriate channels, and should begin at an early age and be accessible for all life stages”.

The Principles recognise the different nature but also the potential overlaps between financial education and financial consumer protection responsibilities. This can create positive synergies, but also pose challenges to policy makers in authorities with dual mandates. Financial education seeks to promote new skills and behavioural change and requires communication and outreach expertise, whereas financial consumer protection deals mostly with regulation and legal instruments. Thus, the human resources and the expertise required to carry out these two responsibilities may be different.

Given the positive synergies stemming from the implementation of these two mandates, in several jurisdictions the same authority in charge of financial consumer protection also possesses a financial education mandate. This double mandate can be part of the institutions’ founding acts or be a consequence of the rising relevance of financial education policies (see Table below and the case studies at the end of this section).

Institutions having legal mandates for both financial education and financial consumer protection (selected experiences)

Institution	Source and nature of the dual mandate
Australia Securities and Investments Commission (ASIC)	<p>ASIC is Australia's corporate, markets and financial services regulator. Since 2008 ASIC has also been the Government agency with national responsibility for financial literacy in Australia. ASIC has statutory responsibility to both educate and protect financial consumers and investors, under the objective to “promote confident and informed participation by investors and consumers in the financial system”.</p> <p>ASIC's broad jurisdictional remit and responsibility for regulation of financial services equip it with invaluable early insights into market and product developments, as well as intelligence about emerging consumer issues. Experience has shown that regulatory responses can be most effective if enacted using a combination of supply side and demand side responses (for example using regulatory and educational initiatives together to change provider behaviour and better equip investors with information).</p>
Financial Consumer Agency of Canada (FCAC)	<p>Since its creation in 2001, FCAC has had a mandate to provide consumer protection and financial education. FCAC ensures federal financial entities comply with consumer protection measures. It also promotes financial education and raises consumers’ awareness of their rights and responsibilities. Consumers not only to be protected but to have a solid understanding of financial services and their associated rights and responsibilities. FCAC also monitors emerging trends and issues and provides input on policy to the Department of Finance.</p> <p>Recognizing the need to improve the financial knowledge and decision-making of consumers, the Government of Canada expanded FCAC's mandate in 2007 to officially include financial literacy and provided new funds to the Agency to develop a financial literacy programme for youth. Then, in its 2008 budget, the government provided ongoing funding to FCAC to support efforts to improve financial literacy in Canada, to Canadians at large.</p> <p>In April 2014, a Financial Literacy Leader was appointed to collaborate and coordinate activities with stakeholders from the public, private and non-profit sectors, including academics and educational institutions. to support and contribute to initiatives that strengthen the financial literacy</p>

	of Canadians. The Leader works within FCAC under the guidance of the Agency's Commissioner.
Financial Services Agency of Japan	Both mandates are included explicitly in the Act for the Establishment of the Financial Services Agency.
Superintendence of Banking, Insurance and Private Pension Funds (SBS)	The SBS is the financial regulator and supervisory authority for banks and non-bank financial institutions, insurance companies and administrators of private pension funds; whose primary focus is on prudential supervision, according to its Founding Act of 1996. However, since the issuance of the Complementary Law to the Consumer Protection Law in Financial Services (2005) and the Code for Consumer Protection and Defense (2010), the SBS has also been tasked with overseeing financial consumer protection (in coordination with INDECOPI, the Peruvian consumer protection authority) by regulating and supervising financial market conduct within its scope and jurisdiction. In this regard, one of the main objectives of the mandate given to the SBS is the promotion of transparency and information disclosure to financial users in clear and easy-to-understand terms.
National Council of Financial Supervisors (Portugal)	<p>The National Council of Financial Supervisors, composed of the three Portuguese financial supervisors (Central Bank - Banco de Portugal -, Portuguese Securities Market Commission and Portuguese Insurance and Pension Funds Supervisory Authority) was established in 2000 with the purpose of coordinating the activity of the financial supervisors in the context of the regulation and supervision of financial institutions and markets. In 2011, the National Council of Financial Supervisors launched the Portuguese National Plan for Financial Education considering that the promotion of financial literacy is an important complement to financial market regulation and supervision. It is considered that higher levels of financial literacy foster the efficiency of rules on financial consumers' protection, promote better choices of financial products and contribute to financial stability.</p> <p>Therefore, the three financial supervisors are currently in charge of financial supervision and regulation of financial institutions and markets and of the implementation of financial education initiatives.</p>
Financial Services Board of South Africa	<p>Consumer financial education was not in the initial founding act of the Financial Services Board (Financial Services Board Act No.97 of 1990); however, the Act was amended in 2000 to mandate the FSB to undertake consumer financial education when it became apparent that part of financial consumer protection is consumer education. This made consumer financial education one of the three mandates of the FSB and the FSB was mandated to "promote programmes and initiatives by financial institutions and bodies representing the financial services industry to inform and educate users and potential users of financial products and services". Noting that this mandate was restrictive in terms of the implementation and provision of financial education, the FSB mandate was further amended in the Financial Services General Laws Amendment Act of 2013 and the mandate now states: "provide, promote or otherwise support financial education, awareness and confidence regarding financial products, institutions and services".</p> <p>The FSB is further mandated to:</p> <ul style="list-style-type: none"> • supervise and enforce compliance with laws regulating financial institutions and the provision of financial services; • advise the Minister on matters concerning financial institutions and financial services, either of its own accord or at the request of the Minister; and • to promote programmes and initiatives by financial institutions and bodies representing the financial services industry to inform and educate users and potential users of financial products and services.
Bank of Thailand (BOT)	BOT is explicitly empowered by the Financial Institution Business Act (2008) to prescribe measures for financial institutions to comply with, including in the field of financial consumer protection. Promoting financial education is pursued as the BOT's mission without explicit mandate with an aim to raise people's standard of living and ultimately financial stability of the entire nation.

International developments, such as increased relevance of financial education policies and the attention they received from global fora such as the G20 have also brought some countries to rethink the financial education mandates and responsibilities. In Japan for example, a high-level Study Group was convened to redefine responsibilities and avoid duplication of efforts among the several public institutions active in financial education.

Mandates can also be boosted thanks to the presence of financial education policies in national development plans as a complement to social inclusion, economic development, or poverty reduction measures. In these cases, the authorities in charge of financial education can receive further recognition of their mission and of their activities,

especially as national development plans are in most cases drafted and implemented under the supervision of the head of the executive (President/Prime Minister). In these cases, the existing mandates on financial education can receive a powerful formal recognition and the authorities in charge receive further incentives to implement comprehensive and effective financial education policies, and to move forward in the design and implementation of national strategies for financial education. This was the case in Mexico with the National Development Plan 2013-18 (see case study) and in Colombia, thanks to the National Development Plan 2010-14 (National Planning Department of Colombia, 2011), which led to the national Decree establishing the administrative structure of the national strategy for the country.

KEY LESSONS LEARNT ON FINANCIAL LITERACY/EDUCATION MANDATES

Formal, explicit and clear mandates to improve financial literacy are not yet common, but where they exist they facilitate and strengthen the implementation of the national strategy.

Typically, when a mandate exists:

- It allows public institutions to more easily design and implement financial education policies and programmes that are sustainable over the medium and long run;
- It facilitates coordination among public authorities, and makes it easier to establish clear responsibilities. In this respect, the presence of a mandate can be publicised in order to increase awareness among the general population;
- It permits earmarking resources within the institutions' budgets specifically devoted to the implementation of financial education policies and programmes (instead of, for example, using resources from general communication and outreach);
- It can be used as a leverage to boost financial education policies or financial education components within other pieces of legislation, when engaging with the government, other public authorities as well as stakeholders at the national level;
- It provides a legal basis for the development of codes of conduct for the private sector, as well as the enforcement of regulations mandating private financial institutions to carry out financial education programmes (see the example of Indonesia and South Africa in Chapter III "The means: funding the strategy").

Finally, when institutions have both mandates for financial education and for financial consumer protection, it is important to ensure that appropriate internal communication and reporting mechanisms are in place to exploit the synergies between these two responsibilities. This has an impact on how human resources and expertise are organised (and, if relevant, shared) and how programmes are implemented on the ground, and it should be duly taken into account when implementing a national strategy.

Case studies In Mexico, existing structures created to design and implement the national strategy obtained a legal mandate for financial education thanks to their incorporation in law through a law on financial markets.

The examples of Australia, Malaysia and Thailand show how the institutions leading the national strategy carry out financial education and financial consumer protection responsibilities. The Australian Securities and Investments Commission (ASIC) has an explicit mandate for financial education. It has a team dedicated to financial education that works with other departments regulating specific sectors of financial markets (insurance, pensions, managed funds, etc.). It also cooperates with the Australian Competition and Consumer Commission (ACCC) at the national level, and with the consumer affairs agencies of the Australian territories. The central banks of Malaysia and Thailand are examples of institutions with an initial mandate for financial consumer protection, which imply a financial education mandate from their wider financial sector responsibilities and that assumed a leading role in financial education. In Malaysia, the bank's Consumer and Market Conduct Department is responsible for financial education, and implements this mandate through a variety of financial consumer protection initiatives, and in the framework of a wider financial inclusion strategy. In Thailand, the Financial Consumer Protection Centre carries out both responsibilities in cooperation with external stakeholders and other public authorities active in the financial sector.

Finally, the United Kingdom is an example of an economy with two institutions with separate financial education and financial consumer protection responsibilities whose co-operation is set out in a memorandum of understanding.

CASE STUDY: MEXICO

A national development plan enshrining in law financial education mandates and the national strategy structures

The administration of President Enrique Peña Nieto gives priority to financial education because of its impact on the welfare of the population as a whole and on micro, small and medium sized companies and to increase social and financial inclusion. The financial education public policy has clear goals and is a cross-cutting policy.

To this end, the 2013 to 2018 National Development Plan (PND) (Federal Government of Mexico, 2012a) incorporates three lines of action related to financial education. These are:

- Strengthen the inclusion of financial education in basic and intermediate education programmes;
- Promote access to, and the responsible use of, financial products and services; and
- Strengthen the financial education of women for their adequate financial inclusion.

In order to achieve these Lines of Action, the 2013-2018 National Financing for Development Plan (Federal Government of Mexico, 2012b) has a specific strategy on financial education, this being the development of greater financial capabilities or competencies to better use financial products and services and to foster financial consumer protection.

The institutional framework to advance these topics is the Committee for Financial Education (CEF). The Committee is chaired by the Deputy Minister of Finance and Public Credit. Its objective is to coordinate the efforts, actions and programmes of its members and among the functions of the CEF are:

- To define the priorities and formulate the guidelines of the public policy for financial education;
- To prepare the National Strategy for Financial Education; and
- To plan the activities of the National Financial Education Week.

On January 9, 2014, President Enrique Peña Nieto enacted a comprehensive financial reform which aims to foster financial education, financial inclusion and protection of the consumer of financial services, as well as competition among financial services providers.

This reform strengthened the CEF and the National Council for Financial Inclusion (CONAIF) by incorporating them in law (Law to Regulate Financial Groups) (SEGOB 2014). The reform establishes that the CONAIF must coordinate with the CEF on financial education actions.

CASE STUDY: AUSTRALIA

The Australian Securities and Investments Commission (ASIC) Act 2001 (Australian Government, 2001) sets out ASIC's statutory objectives. That Act requires ASIC (among other things) to maintain, facilitate and improve the performance of the financial system and entities in it; and promote confident and informed participation by investors and consumers in the financial system. ASIC also has powers to protect consumers against misleading or deceptive and unconscionable conduct affecting financial products and services, including credit.

ASIC's responsibility for financial literacy supports the statutory objective above, to 'promote confident and informed participation of consumers and investors in the financial system'. That is, financial literacy and consumer education are part of ASIC's overall regulatory toolkit as the consumer protection regulator, and are complementary to ASIC's enforcement and compliance work.

In practice, ASIC has a number of operational teams whose work is focused on investors and financial consumers and the interaction of those investors and consumers with the financial services sector. These teams each focus on particular financial services sectors such as for example superannuation, managed funds, financial advice, banking and credit, insurance, etc. These teams work very closely with ASIC's financial literacy team to ensure that ASIC's financial literacy and consumer education work aligns with and supports ASIC's regulatory and consumer protection work.

Cooperation with other agencies

There are other government agencies in Australia who also have a consumer protection mandate, including (at Commonwealth level) the Australian Competition and Consumer Commission (ACCC), and at state/territory level, the various State and Territory consumer affairs agencies.

The ACCC's primary responsibility is to ensure that individuals and businesses comply with Australia's national competition, fair trading and consumer protection laws. The ACCC will take action where it improves consumer welfare, protects competition or stops conduct that is anti-competitive or harmful to consumers, and promotes the proper functioning of Australian markets. The ACCC's role at national level complements that of State and Territory consumer affairs agencies, who each administer relevant consumer protection legislation in their state or territory jurisdiction.

ASIC works closely with the ACCC and the State and Territory consumer affairs agencies. For example, ASIC and ACCC have signed a Memorandum of Understanding that covers liaison, cooperation, assistance, joint enquiries and exchange of information. ASIC and ACCC regularly work together on issues where both agencies have a jurisdictional remit - for example, they recently collaborated on industry guidelines for debt collectors, and an accompanying publication for consumers.

ASIC, the ACCC and the State and Territory consumer affairs agencies also meet at regular intervals in joint forums to discuss and coordinate aspects of their consumer protection activities, in particular any consumer education initiatives or campaigns that any of the agencies are undertaking. The agencies regularly support and cross-promote campaigns of other agencies, to help reinforce and more widely disseminate relevant consumer messages.

📖 CASE STUDY: MALAYSIA

Bank Negara Malaysia (BNM) has responsibility for financial consumer protection including financial education. The Financial Services Act 2013 and the Islamic Financial Services Act 2013 (Government of Malaysia, 2013a and 2013b) provide an explicit mandate to BNM to protect the rights and interests of consumers of financial services and products as part of the agenda to promote financial stability.

While enhancing financial literacy of Malaysians is not an explicit mandate of BNM, it is pursued to support the formal mandates of preserving financial stability and promoting financial inclusion. The establishment of the Consumer and Market Conduct Department in late 2006 marks BNM's commitment towards according greater focus on elevating consumers' financial literacy, promoting sound and fair market practices, as well as putting in place the necessary infrastructure for consumer protection and in ensuring effective recourse.

The department is tasked with four main roles of market conduct risk surveillance, market conduct policy formulation, market conduct supervision (including executing appropriate enforcement actions) and in setting out national strategies to develop financially competent Malaysians. Financial education activities are implemented by the Credit Counselling and Debt Management Agency (AKPK) and a few departments within BNM.

The BNM's Financial Sector Blueprint (2011-2020) is the instrument that outlines recommendations for greater empowerment to consumers in the financial sector and aims to strengthen financial literacy at the national level through coordinated initiatives among key stakeholders in a more holistic manner.

In order to carry out these mandates, BNM promotes several initiatives seeking to promote fair and equitable market practices with a focus on financial consumer protection. Several consumer protection initiatives have been undertaken such as the strengthening of business conduct regulations applicable to financial service providers (FSPs):

- FSPs and the intermediaries are expected to implement fair consumer practices with policies and systems that focus on protecting consumers' interest and fostering continued public confidence in the financial system;
- BNM continues to enhance market conduct surveillance and take enforcement actions against FSPs that adopt unfair practices;
- Efforts are also focused on promoting some degree of self-regulation in the industry through enhancing roles and effectiveness of the industry associations and their enforcement of the respective codes of good business practices.

In addition, BNM has also established comprehensive institutional arrangements to deal with consumers' enquiries, complaints and redress:

- Operationalization of customer contact centres at the FSPs;
- Customers' advice and complaint resolution via Bank Negara Malaysia *Laman Informasi Nasihat dan Khidmat* (BNMLINK) and BNM's customer service and contact centres, TELELINK ;
- Alternative dispute resolution mechanism via the Financial Mediation Bureau; and
- Debt management, credit counselling and financial education services offered by the Credit Counselling and Debt Management Agency (a subsidiary of BNM).

In parallel, BNM also acts to improve consumers' financial literacy. At the national level, BNM drives the financial education initiatives through formulation of policies, setting strategic directions, identification of target groups and priority areas to achieve effective implementation of financial education initiatives for the Malaysian consumers. BNM provides consumers with access to financial information to ensure that consumers are empowered with the knowledge, skills and tools necessary to make informed financial decisions in building, managing and protecting their personal wealth.

Financial education initiatives in Malaysia have been funded by BNM since the introduction of the consumer education programme in 2003⁹. Financial education initiatives co-exist with efforts to provide a conducive and enabling environment for financial inclusion and for fair treatment of consumers.

⁹ Resources are deployed in various aspects, including the development and dissemination of financial education materials and information, consumer engagement and outreach, assessment on financial literacy of consumers, collaboration and partnership with relevant ministries and agencies, industry associations, financial service providers and consumer groups in the implementation of financial education initiatives.

Measures for an inclusive financial sector in Malaysia	Measures for consumer protection in Malaysia
Creating a diverse range of financial service providers that thrive and compete	Ensuring responsible business conduct
Enhancing distribution channels to ensure widespread access to financial services	Provision of high quality, timely information
Strengthening the supporting financial infrastructure	Having in place an effective institutional arrangement for assistance and redress
Ensuring a minimum level of banking products and services are provided at reasonable costs	Ensuring a minimum level of banking products and services are provided at reasonable costs
Enhancing financial capability through education	Enhancing financial capability through education

In addition, BNM continues to make available enabling infrastructures to ensure sustainable and effective implementation of financial education initiatives, including providing an interface to facilitate access to financial education information by the public and establishing an assessment framework to regularly monitor and measure the financial capability of consumers.

BNM is currently engaging wider stakeholders in pursuit of further accelerating the development of financially competent Malaysians through better coordination and collaboration with other agencies having specific mandates or interest in financial education.

CASE STUDY: THAILAND

The Bank of Thailand (BOT) is explicitly empowered by the Financial Institution Business Act (2008) to prescribe measures for financial institutions to comply with, including in the field of financial consumer protection. Promoting financial education is pursued without explicit mandate with an aim to raise people's standard of living and ultimately financial stability of the entire nation.

In order to carry out both missions, the BOT set up the Financial Consumer Protection Center (FCC) as a central point of contact to ensure adequate financial consumer protection and the promotion of financial literacy. The FCC carries out these mandates in cooperation with external stakeholders.

The FCC promotes financial literacy through different channels, i.e. training, mass media advertisements, social network presence, and general educational activities. The FCC develops pedagogical content based on a variety of sources of information, such as complaints managed by the FCC's complaint handling division to identify the issues that are of interest or causing problems for the public at large, as well as relevant rules/ laws/ notifications issued both by the BOT or other government bodies. In addition, financial education materials and programmes are also designed based on cooperation with other organisations, depending on the specific policy area: content regarding credit records for individuals are reviewed by the National Credit Bureau, and informational material about insurance is sent to the Office of Insurance Commission; the Thai Bankers Association helped review the booklet on Financial Knowledge for Start-Up SMEs. There is also internal coordination within the BOT: the FCC in collaboration with the Payment Systems Policy Department has developed a brochure and booklet on how to safely use various means of e-payment.

Finally, the FCC also appoints the BOT's three regional offices, located in the major provinces of the country, to carry out the financial education activities in their regions. The FCC also works closely with the Corporate Communications Department on how to convey those financial literacy contents to the public efficiently within the scope of BOT's brand.

When it comes to complaint handling and market conduct, the FCC has a role as a one-stop centre for consulting and complaint handling, which pertain to financial services/providers under the BOT's supervision. Financial users can contact the FCC via various channels such as hotline number or website or face to face meeting at BOT premises. There are also complaint-handling teams in the BOT's 3 regional offices which support this function by receiving complaints through hotline number and local walk-in facilities. For any case that needs clarification on legal or regulatory issues, relevant departments, such as Legal Department, Supervision Group, and Financial Institutions Policy Group, will be involved. In addition, the FCC regularly communicates the information received from its consultation and complaint handling procedures to relevant departments to enhance appropriate market conduct and fair treatment to customers via the BOT's supervisory function.

📖 CASE STUDY: UNITED KINGDOM

The Money Advice Service (MAS, formally the Consumer Financial Education Body) was established as an independent statutory body with responsibility for improving consumers' financial management and understanding in April 2010. The service has statutory objectives to enhance the understanding and knowledge of members of the public of financial matters and to enhance the ability of members of the public to manage their own financial affairs.

MAS was launched in April 2011 with online, telephone and UK-wide face-to-face advice services. In April 2012 the Service took on additional responsibility for funding and improving the quality, consistency and availability of debt advice. Its statutory functions relating to debt advice are set out in the Financial Services Act 2012. The Financial Conduct Authority (FCA) regulates financial services in the UK, maintaining and ensuring the integrity of the market, regulating financial services firms so that they give consumers a fair deal and ensuring the market is competitive. MAS is independent of the FCA in carrying out its statutory function. The Service's strategic goals and direction are set by a board, which oversees activities and management of the organisation. The board is appointed by, but acts independently of, the FCA.

MAS and the FCA maintain a memorandum of understanding setting out how the two bodies work together and share information. MAS is funded by an allocation from the levy that the FCA collects from the financial services firms that it regulates. Each year the FCA consults with industry on its proposals for the allocation of its fees across the industry, including the proportion allocated to MAS.

The Service's business plan and budget for the year ahead are subject to approval by the FCA. In addition to this, the Service must consult on its business plan and budget with the Treasury, the Department for Business, Innovation and Skills, and key advisory bodies to the FCA. The Service also consults on its business plans with the devolved governments in Scotland, Wales and Northern Ireland and with its own consumer, industry and debt advisory forums along with a range of independent organisations that have an interest in and contribution to improving financial capability in the UK.

An Independent Review of MAS was published in March 2015. It set out a range of recommendations to maximise the impact and effectiveness of the Service in the future. This included a call for stronger ties between the MAS, the FCA and the family of regulatory organisations. MAS is working closely with the FCA to ensure each organisation can make the most of their respective remits. An important part of this will be ensuring that research insights are shared and used to help the FCA shape its regulatory policy. The Service is working closely with the FCA in the development of the UK Financial Capability Strategy. MAS will be the anchor organisation for the UK Strategy on financial capability, providing a co-ordination and secretariat function for a long-term strategic focused on achieving a step-change in financial capability through a model of collective impact.

INSTITUTIONAL AND GOVERNING MECHANISMS

Governing mechanisms and leadership

Various legal, institutional and governance mechanisms involving a range of stakeholders are being set up in countries to develop and implement the national strategy for financial education (see also Table 5 at the end of this chapter for an overview of these arrangements in G20 economies). These arrangements often evolve between the design and the implementing phases. This flexible and pragmatic approach regarding the sharing of roles and responsibilities between different stakeholders through the life of national strategies is consistent with the evolution of financial literacy issues (from a policy and delivery perspective). It also takes into account the necessity to develop more specific expertise and to involve a range of stakeholders with a view to efficiently reaching out to a potentially wide audience in a context where (financial and in-kind) resources are often limited.

In more than half of the responding countries, a single public authority is responsible for leading the national strategy (both development and implementation phases). These authorities are often supported by a coordinating/consultative mechanism (council, body, commission). In another set of countries, the leadership is devolved to a leading coordinating body encompassing the different relevant public authorities (in most cases these involve the financial regulators and relevant ministries— typically the ministries of finance and education). This is the case in a number of Latin American countries following the initial Brazilian experience, but also in India (where the four regulators are involved), Japan and Portugal.

In a few countries, a new institution is set up to implement the national strategy (e.g. in Brazil and India). In both cases, this new institution is supervised by a leading coordinating body (composed of financial regulators and relevant members of the government).

In another small set of countries, relevant public stakeholders (often the ministry of finance, the central bank and the financial regulators as well as the ministry of education) share the responsibility for the development and implementation of the strategy depending on their respective area of expertise and existing mandate (for instance in Slovenia and Spain). In both cases, a dedicated working group has been put in place to set a national plan and coordinate the action of the different stakeholders within this plan.

Steering and coordinating mechanisms and their operational modalities

In order to guide, provide advice and supervise the implementation of their strategy, a number of countries have chosen a multi-stakeholder approach. In these examples, countries have set up or utilised existing steering committees and/or advisory boards (e.g. Australia, Brazil, the Netherlands, Russia, the UK and the US). In addition or as an alternative to high-level bodies, some countries have also (or) created coordination committees/commission between different public bodies with an interest in financial education to develop the national strategy, coordinate and harmonise national intervention (e.g. in Brazil, Colombia, India, Mexico, Portugal, Russia, Spain, Sweden, Thailand, or the US). These bodies are generally composed of a combination of public authorities with a role in financial education, they also sometimes involve private and not-for-profit partners (see also following section). In some countries where financial inclusion is the main objective assigned to the national strategy for financial education, a dedicated committee/body in charge of the financial education strategy is often created within a structure dedicated to financial inclusion (e.g. in Chile, Pakistan and Turkey).

These advisory boards and consultation committees meet from once a year (Czech Republic) to every month (e.g. in Argentina) depending on their level (political or more technical), role and responsibilities. Most of the decisions within these bodies and committees are made when a consensus can be reached and in a more limited number of cases through a vote (Czech Republic, Mexico, Pakistan, South Africa).

A number of countries have also established dedicated subgroups in charge of particular projects (e.g. in Latvia, the Netherlands, and Portugal), specific target audiences (UK), component of the national strategy (e.g. Mexico, South Africa) as well as an international advisory council with expert from other economies (Russia). In some cases, subgroups are in charge of monitoring the implementation of the strategy and can issue alerts and demand corrective actions to its implementing bodies, as in Brazil (see case study).

KEY LESSONS LEARNT IN DESIGNING ADAPTED AND EFFECTIVE GOVERNANCE MECHANISMS AND ESTABLISHING THE ROLE OF STAKEHOLDERS

Considering the possible synergies between financial education and other public policies, sound co-ordination among interested public sector bodies active in financial education is critical. This requires the active participation of, at least, public institutions with financial, economic and/or educational mandates, and with responsibility for social policies targeting vulnerable groups.

Involving relevant stakeholders as early as possible to create a broad ownership of the strategy and anchor commitment to the national strategy process is equally essential. Bringing on-board several stakeholders from the very beginning might be time consuming; however future benefits such as more effective collaboration and sense of ownership among stakeholders can offset initial costs.

Public institutions involved in the implementation of national strategies often face competing policy agendas, which can create challenges when moving into the implementation phase. As a consequence, the implementation of a national strategy by multiple stakeholders demands the definition of appropriate governance principles as well as mechanisms to ensure sustainability, monitoring and communication. Effective governance structures generally include:

- The separation of directive/executive and supervisory roles. This particularly has the advantage of allowing a deeper involvement of private and not-for-profit institutions in the implementation phase, while retaining the strategic leadership in the hands of public authorities.
- The support of, and regular liaison with the highest possible level of the government in order to maximise cooperation from the parties involved and ensure the strategy is sustainable and visible. This can also take the form of official periodic reporting made to the executive and/or the legislative, and can be included in the national strategy's roadmap.
- The presence of clear information sharing mechanisms and feedback loops. These mechanisms are particularly relevant when different stakeholders are responsible for the implementation of different programmes of the national strategy. This should be matched both by the transparency and accountability of public authorities towards stakeholders and citizens, and by stakeholders reporting back to public authorities leading the national strategy.
- The creation of a dedicated entity/ies in charge of managing the implementation of horizontal actions under the national strategy. This can be useful considering the responsibilities that representatives of public institutions have outside the sphere of the national strategy.
- The existence of specific entities (sub-committees or institutions) responsible for the evaluation, monitoring and audit of the strategy and its programmes.

In addition, governance structure also benefit from being transparent and clear to the public, as this increases accountability and awareness.

Public institutions in charge of the national strategy implementation should also have sufficient independence to carry out the actions part of the national strategy, as well as the related resources. This, as a corollary to the notion of independence, is beneficial in designing and implementing policies and programmes in the medium and long terms.

Case studies

The following selected case studies exemplify the variety of ways in which public authorities can establish institutional arrangements for the design and implementation of national strategies, and some of the different modalities of involvement of non-public stakeholders in the national strategy's governance mechanisms.

The case of Canada shows a unique structure. A legislated individual, the Financial Literacy Leader, is housed within the Financial Consumer Agency of Canada (the regulator mandated to provide financial consumer protection and consumer education). The role of the Leader is to collaborate and coordinate financial literacy initiatives with all sectors – public, private and non-profit. The Leader works with a Steering Committee made up of influential leaders in

the private, government and non-profit sectors. Members are named for a two-year term. The Terms of Reference outlines their role which is to develop and implement the national strategy for financial education.

In Brazil, a presidential decree has created an administrative structure for the design and the monitoring of the national strategy, which includes all four financial regulators, as well as expert subgroups in charge of pedagogical tools or control and monitoring. Specifically, the implementation of some of the most important programmes of the strategy is conducted by an entity composed of the industry associations of the financial sector. In India, a technical group in charge of financial literacy and inclusion (part of a high-level council overseeing the development of financial markets) has created a new body in charge of the implementation phase of the national strategy.

In the cases of South Africa and the United Kingdom, public authorities in charge of the national strategy have set up multi-stakeholder approaches to the implementation of the strategy. In South Africa and the United Kingdom, a multi-stakeholder approach is made possible thanks to the inclusion of private and not-for-profit stakeholders respectively in the main committee in charge of the strategy and in the Financial Capability Board overseeing the strategy implementation and its Action Groups.

CASE STUDY: CANADA

Involving stakeholders through ongoing consultation with a Financial Literacy Leader

Canada is a unique example among existing national strategies for financial education, as its governance structure includes an appointed individual who is mandated to coordinate and encourage collaboration amongst financial literacy activities. The position of Financial Literacy Leader was established through an amendment to the Financial Consumer Agency of Canada Act, thus implementing the top recommendation of the Task Force on Financial Literacy (Canadian Task Force on Financial Literacy, 2010). The Minister of Finance appointed the Financial Literacy Leader in April 2014, who works within the Financial Consumer Agency of Canada under the direction of the Commissioner. The Leader and Minister announced a 15-member National Steering Committee on Financial Literacy, to assist the Leader to develop and implement the national strategy in July 2014.

In developing its national strategy, the Minister of State (Finance), the Financial Consumer Agency of Canada (FCAC) and the Leader engaged in extensive stakeholder consultations across the country with representatives from the public, private and non-profit sectors. All Canadians were invited to submit their comments online. Members of the Steering Committee played an active role in the consultations and the strategy development.

Additionally, FCAC organised roundtable consultation sessions during the 2014 national conference on financial literacy which gathered input from more than 200 participants. At the federal level, the Interdepartmental Committee on Financial Literacy provides a forum through which federal government departments and agencies identify opportunities to contribute to the National Strategy, identify needs and opportunities for collaboration, and implement the strategy through their own initiatives.

The Financial Literacy Leader will use a number of methods in order to monitor and evaluate implementation of the National Strategy, such as seeking ongoing feedback on FCAC's content, consulting with stakeholders and partners who provide tools and services, and from Canadians directly through surveys and feedback on the programs, tools and resources that they use. The Financial Literacy Leader will report on progress through FCAC's Annual Report. Canada will benchmark itself internationally by participating in the 2015 OECD/INFE Toolkit for measuring financial literacy and financial inclusion. Canada is also participating the 2015 OECD Programme for International Student Assessment.

📖 CASE STUDY: BRAZIL

The leadership of a multilateral body and the creation of a public-private partnership

Brazil's National Strategy for Financial Education (*Estratégia Nacional de Educação Financeira* – ENEF) was formally established by Presidential Decree (Presidency of the Republic of Brazil, 2010). This act also created the National Committee for Financial Education (*Comitê Nacional de Educação Financeira* – CONEF), to handle the implementation phase of Brazil's National Strategy (NS). CONEF is responsible for ENEF's strategic governance, and coordinates its implementation: it sets the objectives of the strategy, and the guidelines and bylaws covering its financing, implementation, and evaluation. The Committee is also authorised to create working groups with expertise to provide technical support and to approve its own bylaws.

CONEF is composed of the following members:

1. A Deputy-Governor of the Central Bank of Brazil (*Banco Central do Brasil* – BCB);
2. President of the Securities and Exchange Commission (CVM);
3. Superintendent-Director of Brazil's National Superintendence for Pension Funds (PREVIC);
4. Superintendent of Brazil's Superintendence of Private Insurance (SUSEP);
5. Executive-Secretary of the Ministry of Finance (MF);
6. Executive-Secretary of the Ministry of Education (MEC);
7. Executive-Secretary of the Ministry of Social Security (MPAS);
8. Executive-Secretary of the Ministry of Justice (MJ); and
9. Four representatives of civil society: the Brazilian Financial and Capital Markets Association (ANBIMA), Brazil's major stock exchange (BM&FBOVESPA), the Brazilian Association of Banks (FEBRABAN), and the Brazilian Insurance Confederation (CNSEG).

The Presidency of CONEF rotates among the first five members listed above. As determined in CONEF's bylaws, the four representatives of civil society must be chosen among self-regulatory bodies recognised by one of the four regulators; industry associations from financial, capital, insurance, or pension markets; and consumer protection organisations. These representatives have a renewable 3-year mandate. Their current mandates are valid until December 2017.

The establishment of sub-committees and dedicated working groups by project/policy area

The Presidential Decree creating CONEF also established a Pedagogical Support Group (*Grupo de Apoio Pedagógico* – GAP) to provide pedagogical guidance to all ENEF's actions. The Group is composed of the Ministry of Education (MEC) and the four financial regulators, as well as by educational institutions and associations: the National Council of Education, five federal educational institutions appointed by MEC, the National Council of Education Secretaries (CONSED) and the National Union of Municipal Education Managers (UNDIME). The Ministry of Education presides over GAP and also serves as its Executive Secretariat. All the educational content of ENEF's actions is submitted to the GAP. As a multidisciplinary group, with strong methodological background, it is the forum for detailed in-depth discussions that revises and approves all financial education pedagogical material. It meets whenever convened, and the meetings are usually preceded by intensive revision activity of the documents for discussion. Since the beginning of ENEF's implementation, GAP has been meeting face-to-face around 3-4 times a year, with meetings lasting 1-2 days. The consistency of GAP's input and approach is ensured by the permanent presidency of the Ministry of Education.

The Permanent Technical Commission (*Comissão Permanente* – CP) is another consultative committee part of the national strategy. CP assists CONEF at the technical level, proposing rules, parameters and guidelines for ENEF's plans and actions. CP also advises CONEF by issuing recommendations on possible partnerships, branding of financial education material, financial literacy assessments and ENEF's website, among others. It is composed of representatives from the institutions that are part of CONEF, and its internal governance structure follows CONEF's presidency rotation scheme. The representatives sitting in the CP are drawn from those directly involved in implementing Financial Education initiatives within CONEF's members. Consequently, the meetings of the CP are instrumental in preparing and discussing issues before these are submitted to CONEF's strategic approval. The CP serves as the forum to discuss the details of the implementation of most of ENEF's programmes, and where most of the hands-on work is performed. CP meetings regularly encompass the presence of CONEF's partner Brazil's Association of Financial Education (AEF-Brasil) (see the case study "Brazil: a public-private partnership in action").

CP meets nearly once a month, mostly via videoconference, and each meeting usually lasts around four hours. CP members permanently consult with the strategic levels of their own institutions before entering the meetings. Decisions are usually made by consensus and then transmitted to CONEF.

Specific lessons learnt in implementing the national strategy: the role of the Surveillance and Supervision Committee

A Surveillance and Supervision Committee (*Comitê de Acompanhamento e Fiscalização – CAF*) created by CONEF supervises the partnership agreement with AEF as well as other aspects of the implementation of the strategy. It is formed by five members appointed by the four financial system regulators, plus the Ministry of Finance. CAF must report to CONEF regularly every semester and it may issue alerts to AEF-Brasil and CONEF if there is a breach in any provision of the Agreement or in AEF-Brasil's annual Work Plan. In that case, CAF may also determine corrective actions.

During implementation, it has become clear that CAF's role is of major importance. Initially it was supposed to report to CONEF annually, but experience has shown that semi-annual reports are needed. To support its work, CAF has built a risk assessment matrix, where aspects such as difficulties in fundraising, conflicts of interest, or undue appropriation of authorship of materials developed for ENEF are closely watched. Thirteen risks have been initially identified and, in its first report, CAF issued a list of recommendations to AEF-Brasil, to CONEF and its members. Among the recommendations, CAF pointed to AEF-Brasil that it should develop a routine of periodical revisions of ENEF's website (www.vidaedinheiro.gov.br) in order to keep it up-to-date. For CONEF, one of CAF's recommendations regards the development and implementation of a communication plan.

Based on CAF's recommendation, CONEF has developed a communication plan that aims to present ENEF to the general public and to contribute to its consolidation. One of the challenges addressed by the communication plan is giving a sense of integration to the actions of CONEF members. This has entailed identifying target audiences for the communication plan, and establishing general guidelines for communicating with the public. Despite this initial effort, it is proving necessary to detail the plan further, creating clear rules on the use of ENEF's logo and materials, side by side with those of AEF-Brasil and of other sponsors.

CASE STUDY: INDIA

The creation of a new public body in charge of the implementation of the national strategy

A Technical Group on Financial Inclusion and Financial Literacy of the Financial Stability and Development Council Sub-Committee (FSDC-SC) headed by the Deputy Governor, Reserve Bank of India, with representation from all financial sector regulatory authorities is the institutional mechanism set up to coordinate the efforts of all the financial sector regulators in the field of financial education. The National Strategy for Financial Education (NSFE) for India has been prepared under the aegis of this Technical Group.

A National Centre of Financial Education (NCFE) has then been established as a specialised institution for implementation of National Strategy for Financial Education. It reports to the Technical group.

The main role of NCFE is creating standard financial education material for various segments of the financial sector, develop and maintain a website exclusively for financial education which will be a one stop repository of all financial education activities by all the financial sector regulators:

- Reserve Bank of India;
- Security and Exchange Board of India;
- Pension Fund Regulatory and Development Authority;
- Insurance Regulatory and Development Authority; and
- Forward Market Commission.

All the above-mentioned financial regulators fund NCFE through an annual budget approved by the Technical Group. NCFE's activities are guided by a Core Committee which comprises one senior officer from each of the participating regulators. The mandate of the Core Committee is to give in-principle approval to the projects to be implemented by NCFE after going through funding needs of the activities/projects of NCFE which will then be placed before the Technical Group for approval.

Co-opting private and not-for-profit stakeholders in the national strategy's governing mechanisms

📖 CASE STUDY: SOUTH AFRICA

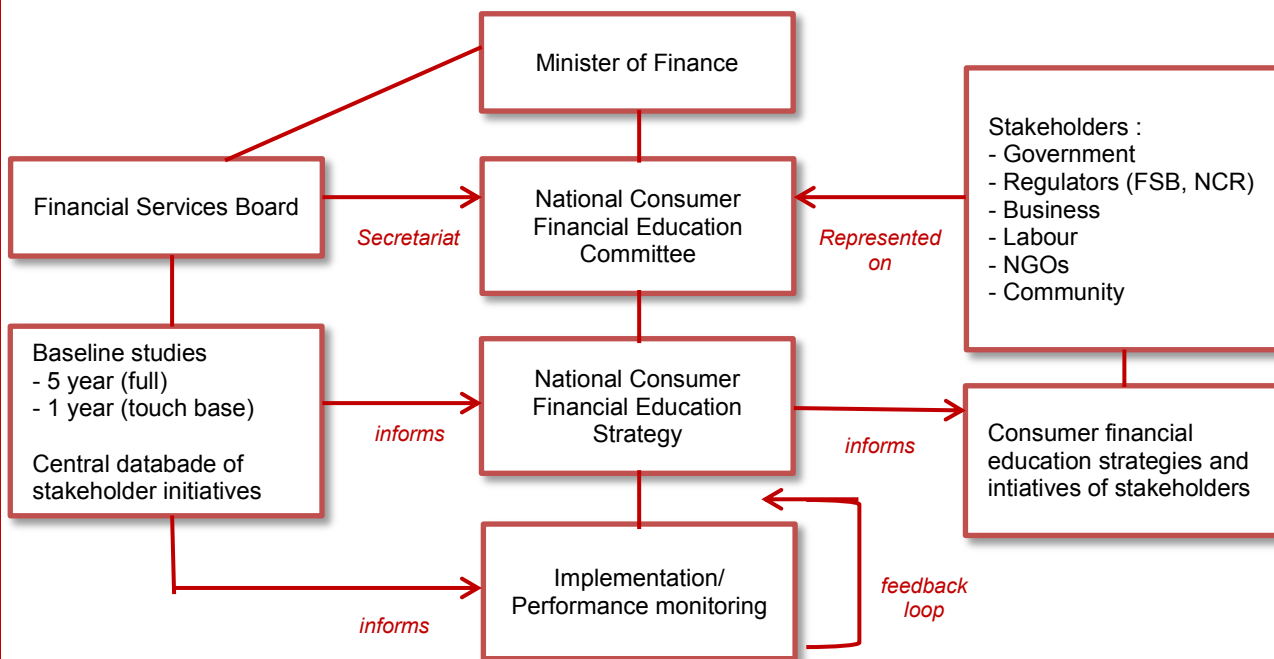
A mix of expertise to oversee the national strategy and ensure consistency with its objectives

In South Africa, the coordination of consumer financial education takes place through the National Consumer Financial Education Committee (NCFEC) which is a multi-stakeholder group that comprises of a broad mix of expertise drawn from labour, community-based organisations, financial institutions, other private sector entities and government. The Committee is chaired by the National Treasury and meets quarterly, with the Financial Services Board acting as secretariat to the Committee.

The Stakeholders represented on the NCFEC include the public and the civil sectors, as well as associations of the industry, but no financial for-profit institution has direct representation. These stakeholders include:

- Government Departments (Trade and Industry – National Treasury – Basic Education – Higher Education and Training – Provincial Consumer Affairs Offices Forum);
- Regulators (National Credit Regulator – South African Reserve Bank – Financial Services Board – National Consumer Commission);
- Ombudsman;
- Financial Industry Associations;
- Labour;
- NGOs; and
- Civil society and community.

Schematic representation of Governance



The mandate of the NCFEC is threefold and makes it the body in charge of the three key stages of a national strategy:

- Develop and review the national consumer financial education strategy;
- oversee its implementation; and
- monitor implementation through a central database.

The participation of stakeholders in the NCFEC is instrumental to the development and implementation of their financial education activities. Private and not-for-profit stakeholders as well as public institutions part of the NCFEC are required to develop and implement individual financial education strategies that are in line with the national strategy. In addition, they also have the duty to report the consumer financial education programmes and initiatives they have undertaken to the central database, in order to enable the performance monitoring of national strategy done by the Financial Services Board as Secretariat.

A multi-stakeholders governance structure delivering collective impact in the 2015 revised strategy

The UK Financial Capability Strategy has been co-developed and is co-owned with stakeholders from across the public, private, and not-for-profit sectors. The revision of the strategy took place following the publication of a call for evidence on a new draft strategy and suggested reform in its main lines of actions.

The suggested revised strategy (Money Advice Service, 2015) will be led by a Financial Capability Board that will drive its implementation. This Board will not only lead implementation but also prioritise among the strategy's activities and monitor the quality of the interventions. Members of the Board will be selected among visible leaders and champions within the financial services and not-for-profit sectors that have significant commitment and leadership in relation to financial capability.

The Board will be supported by Action Groups, to be convened to take forward strategy development, and by Devolved Nation Forums, to address issues that are specific to England, Northern Ireland, Scotland and Wales. These Groups and the Forums will be composed of representatives from the Money Advice Service as well as from participating organisations.

The Financial Capability Board will benefit from the presence of a Financial Capability Secretariat, hosted by the Money Advice Service. MAS will also let its existing structures, notably the Debt and Advice Steering Group, the FinCap Education Funders Summit as well as the Research and Evaluation Group, feed into the activities of the Financial Capability Board. The Research and Evaluation Group will directly provide insights and evidence to the Action Groups and Devolved Nation Forums.

This governance structure has been designed based on partnership principles underlined by responses to the call for evidence, and is based on the concept of collective impact. This vision is based on elements defined as:

1. A shared mission between public/private/third sector;
2. A set of targets that the partners commit to;
3. Clearly defined roles and responsibilities;
4. Communication between all parties; and
5. A "backbone" or "anchor" organisation to focus on the partnership and make it work.

INVOLVEMENT OF PRIVATE AND NOT-FOR-PROFIT STAKEHOLDERS: MODALITIES AND GUIDING RULES

In a majority of cases, countries with a national strategy seek to involve private and not-for-profit stakeholders in the implementation phase of their strategy (and often also in its design phase). The involvement of these non-public stakeholders takes various forms. In some countries, it mainly happens through self-regulatory bodies and industry associations (for instance in Brazil, Japan and the Netherlands) as suggested by the OECD/INFE Guidelines for Private and Not-for-profit Stakeholders in Financial Education (OECD/INFE, 2014). In some others, a range of not-for-profit and private institutions have been involved in the development and implementation of the national strategy through its coordinating bodies and committees (e.g. in the Czech Republic, Estonia and Latvia). Not-for-profit stakeholders involved in financial education strategies particularly include consumer associations, media, trade unions, the academic community and universities as well as teachers associations and various (local and/or international) NGOs active in the field. They are primarily involved in the implementation of the strategy.

In some countries, these not-for-profit and private stakeholders are consulted and participate in the strategy through targeted consultations (for instance in Australia, Canada, India, Israel and New Zealand).

Countries can engage in official consultation processes on draft national strategy roadmaps (as in Canada, France and the United Kingdom), interviews with stakeholders including government departments (Lebanon, New Zealand and South Africa), or feedback from consumer bodies (Malaysia and South Africa) and the private sector. These consultation mechanisms can also become permanent, through the creation of consultative platforms and committees, depending on their level of formalisation within the national strategy administrative system.

When the involvement of private and non-public stakeholders takes place in the implementation phase, governmental authorities often provide general recognition of the importance of involving private and not-for-profit stakeholders while acknowledging the need to monitor private efforts to avoid conflicts of interest. Some governments have not provided explicit guidance/principles, but the importance of involving these stakeholders and/or the need to

monitor private efforts to avoid conflicts of interest is mentioned in most national strategy roadmaps or similar documents. For instance, the national strategies in Australia, Canada, Colombia, the Czech Republic, El Salvador, Ireland, New Zealand, Portugal, Slovenia, Spain, and the United States mention the importance of involving the private and not-for-profit sectors and the need to coordinate financial education activities among stakeholders. Moreover, Colombia, Ireland and the United States also mention the importance of monitoring/avoiding conflicts of interest of financial sector stakeholders. However, dedicated codes of conduct to guide their financial education initiatives are still relatively rare (codes already exist in Brazil, the Czech Republic, Japan, Korea, Portugal, Indonesia, the Netherlands and South Africa).

The increasing attention of policy makers to the role played by the private sector in the implementation of national strategies, as well as the number of programmes that are undertaken especially by private financial institutions, has brought increasing attention to the need to develop guidelines and codes of conducts. This has gained additional momentum thanks to the work of the OECD/INFE and the development of the Guidelines for Private and Not-for-profit Stakeholders in Financial Education (see Lessons learnt below).

These codes are mostly meant to be applied on a voluntary basis. For instance, in a few countries codes should be complied with by stakeholders or within initiatives that are part of the national strategy however enforcement rules (such as fines) are an exception (as in Indonesia, where the Financial Services Authority, OJK, can give administrative sanctions to financial institutions that do not conduct financial education programmes as mandated by the local market conduct regulation, see case study below).

Given the variety of modalities of involvement, the codes of conduct, guiding principles or the certification mechanisms used are developed by different authorities and monitored to different extents. The existing codes, principles and certifications can be classified based on the authority developing them.

The instruments developed by public authorities are generally implemented within the framework of national strategies, as in the Czech Republic, Japan, Portugal, Indonesia and South Africa. Alternatively, they can be linked to specific projects, as in the Netherlands where specific guidelines are applied to the involvement of the financial sector in two of their main projects (Pension3day and National Money Week).

Not-for-profit stakeholders have also developed voluntary codes of conduct and accreditation systems that can play a role within the implementation of national strategies when they are recognised by public authorities and indicated as good practices to other national stakeholders. For instance, the personal financial education group (*pfeg*) in the UK carries out a Quality Mark accreditation system for resources developed for teaching financial education in schools (*pfeg*, 2011), and the *Jump\$tart* Coalition in the US recommends a number of best practices when developing and/or selecting personal finance educational materials (*Jump\$tart* Coalition, 2010).

KEY LESSONS LEARNT IN THE INVOLVEMENT OF PRIVATE AND NOT-FOR-PROFIT STAKEHOLDERS

In the context of its work on National Strategies for Financial Education, the OECD/INFE developed the Guidelines for Private and Not-for-profit Stakeholders in Financial Education (see Annex for the full text) to ensure that efforts of private and not-for-profit entities are appropriately coordinated, monitored and evaluated, and that conflicts of interest are adequately addressed. The Guidelines were completed through an extensive (internal and public) process involving interested parties and stakeholders and delivered to OECD bodies in charge of financial education and G20 in 2014. They are based on lessons learnt in the experience of countries working in co-operation with the private and not-for-profit stakeholders, as well as on further analysis conducted by the OECD/INFE Secretariat.

The Guidelines are, first, intended for public authorities who want to set a framework and define criteria for the involvement of private and not-for-profit stakeholders in national financial education strategies and programmes. They are also meant to be used by private and not-for-profit stakeholders involved in financial education to develop their own codes of conduct and guide their initiatives.

At this stage, they do not establish strict enforcement and compliance mechanisms and rather advocate an incentive-based approach.

The framework provided by the Guidelines is based on co-ordination between public, private and not-for-profit stakeholders, and in particular on the maximisation of consumers' interest through the integration of private and not-for-profit sectors initiatives within national strategies, partnerships, and co-ordination with national school curricula when applicable. The framework also addresses the need to manage potential conflicts of interest, through support for public sector initiatives, the indirect involvement of private institutions through national industry association or self-regulatory body, the development of codes of conduct as well as the clear distinction between commercial and educational activities.

The Guidelines also set key criteria (see Box 3.2) to guide the direct involvement of private and not-for-profit stakeholders in the implementation of financial education activities.

Box 3.2 Key criteria for the involvement of private and not-for-profit stakeholders in financial education (OECD/INFE Guidelines, 2014)

1. Objectivity

The content and format of any material and physical environments (e.g. locations dedicated to financial education delivery, such as learning centres, museums, etc.) used for financial education training and awareness initiatives that is developed, promoted or used by private and not-for-profit stakeholders should be balanced, impartial, unbiased, and not linked to their commercial priorities. In particular, materials should not be specific to a given product or provider

2. Quality of resources and trainers

- **Resources should be:**
 - tailored to national and local contexts, including social, economic, cultural and linguistic circumstances;
 - appropriate to the target audience's level of literacy, numeracy, financial knowledge, technological ability, learning styles and preferences; they should especially avoid technical jargon unless appropriate to the audience;
 - fair in addressing all relevant population segments (for instance in terms of gender, age, social background, culture, ability, and any additional factor depending on national/local circumstances and needs);
 - accurate, complete, up-to-date and of high quality; as well as
 - easily accessible to individuals.
- **Trainers should:**
 - be trained and/or qualified in order to have adequate subject knowledge and confidence to teach financial literacy topics;
 - have adequate teaching skills to address the target audience, especially in the case of children and young people (within or outside schools); and
 - conduct any direct intervention in the classroom under the oversight of and in collaboration with the school teaching/management staff.

3. Monitoring and evaluation

The design of financial education initiatives involving private and not-for-profit stakeholders should preferably include a pilot/trial phase of the financial education programmes and related resources, before they are scaled up to the full audience of interest and rigorous and independent monitoring (process evaluation) and impact evaluation.

Case studies

The example of Brazil illustrates how the industry associations representing the entire private financial sector of a country can join forces to support public institutions in the implementation of the national strategy. In Brazil, the Financial and Capital Markets Association (ANBIMA), Brazil's major stock exchange (BM&FBOVESPA), the Association of Banks (FEBRABAN), and the Insurance Confederation (CNSEG) have set up a not-for-profit entity under Brazilian law to implement some programmes that are part of the national strategy. This not-for-profit entity operates under the supervision of National Committee for Financial Education (CONEF) and under the control of the Surveillance and Supervision Committee that public authorities have set up to monitor the implementation of the strategy.

The example of Australia and Canada show how compliance with the OECD/INFE Guidelines can explicitly be referenced as a pre-condition for the participation of the private sector in the national strategy's activities, or as a key criterion for inclusion in a national database of financial education resources and tools.

The following two case studies are a good indication of the importance of criteria and principles developed at the national level to guide the actions of private stakeholders in financial education activities. In both cases, the institutions in charge of the implementation of the national strategy have advertised them and encouraged their use. In addition, in both cases the criteria and principles demand the content of programmes implemented by private stakeholders to be in line with the objectives of the strategy as identified by public institutions.

In Japan, the Committee for the Promotion of Financial Education, established in the Central Council for Financial Services Information (CCFSI) to promote financial education through the CCFSI's network, drafted detailed guidelines. These are based on consistency with the core competencies levels defined in the context of the national strategy as well as with the principles of neutrality and fairness. In Portugal, the Principles for Financial Education Initiatives developed in the context of the national plan also demand that the initiatives are in line with the objectives of the Plan, and ensure the prevention of conflicts of interests.

CASE STUDY: BRAZIL

A public-private partnership in action

In order to foster civil society participation and allow private and public sources of funding, The National Committee for Financial Education (CONEF) established a Partnership Agreement with Brazil's Association of Financial Education (AEF-Brasil). AEF-Brasil is a partner in the national strategy (ENEF) and has responsibility for planning, structuring, developing, implementing, and administering some of ENEF's transversal initiatives. AEF-Brasil was founded by the Brazilian Financial and Capital Markets Association (ANBIMA), Brazil's major stock exchange (BM&FBOVESPA), the Brazilian Association of Banks (FEBRABAN), and the Brazilian Insurance Confederation (CNSEG).

AEF-Brasil is a non-governmental, not-for-profit specific purpose entity, not subordinated to the structure of any Ministry in order to ensure balanced management among markets and interested sectors. Although AEF-Brasil is maintained by the four founders mentioned above, funds for financial education projects must be raised from other sources. Whereas AEF-Brasil deals with implementation, it is CONEF's responsibility to define plans, programmes, actions, and to coordinate ENEF. The Partnership Agreement with CONEF is valid for five years and renewable. According to this Agreement, CONEF must present its guidelines to AEF-Brasil annually. In response, AEF-Brasil must submit its annual Work Plan to CONEF for approval.

AEF-Brasil's responsibilities include raising funds for ENEF projects, and developing content and social technologies aimed at the general public. The entity may also be responsible for directly implementing financial education actions and programmes, prioritising actions in accordance with the guidelines established by CONEF.

This Partnership Agreement is monitored by a Surveillance and Supervision Committee (*Comitê de Acompanhamento e Fiscalização* – CAF) created by CONEF. CAF must report to CONEF every semester and it may issue alerts to AEF-Brasil and CONEF if there is a breach in any provision of the Agreement or in AEF-Brasil's annual Work Plan. In that case, CAF may also determine corrective actions. It is formed by five members appointed by the four financial system regulators, plus the Ministry of Finance.

In addition to the partnership established with AEF-Brasil, CONEF is entitled to develop other plans, programmes, actions, and initiatives in partnership with any other public, private, or non-governmental relevant organisations. Moreover, such horizontal partnerships do not impede CONEF's members from developing sectorial financial education programmes in the scope of their core-business activities.

The Central Bank of Brazil (BCB), for example, one of CONEF's rotating presidents and the institution permanently responsible for CONEF's Executive Secretariat, launched its Financial Citizenship Programme, *Cidadania Financeira* (see also case study "Brazil: the use of technology to address the needs of poor household recipients of social programmes" in chapter IV). *Cidadania Financeira* encompasses three thematic areas: money management, consumers' relationship with financial service providers, and financial service providers' relationship with financial consumers. To implement *Cidadania Financeira's* projects and initiatives, the Central Bank has established strategic partnerships to reach the following selected target groups: consumer protection bodies (partnership with Ministry of Justice's National Secretariat for the Consumer), beneficiaries of conditional fund transfer programmes (partnership with the Ministry of Social Development Hunger Alleviation, the Confederation of Rural Credit Central Cooperatives, and the Brazilian Network of Community Banks), cooperative affiliates and collaborators (partnership with the National Cooperative Learning Service and the Brazilian Cooperative Organisation), individual and micro entrepreneur (partnership with the Brazilian Micro and Small Business Support Service).

Lessons learnt in implementing the strategy through AEF-Brasil

The implementation of the programmes of financial education in schools has highlighted some specific lessons. AEF-Brasil, under CONEF's coordination, has been implementing ENEF's horizontal actions, among which the financial education programmes in High Schools and in Elementary Schools. In both, the fundraising process has taken longer than initially expected. Such processes have ranged from 4 to 14 months. Furthermore, High School education in Brazil is decentralised among 27 State Education Secretariats, and negotiations to implement the programme are carried individually. Education State Secretaries may change frequently due to the political process,

and this adds difficulties to implementing the programme. The same applies to municipalities, of which there are more than 5000 in Brazil. The implementation of an online training platform has been shown to mitigate these issues to some extent, but getting stakeholders to know and use the platform has been challenging.

CAF's constant monitoring has emphasised the importance of AEF-Brasil's continuous reporting to CONEF and where it stands regarding contracts, sponsorships, materials produced, website updates, and events participation and/or organisation.

The use of the OECD/INFE Guidelines for Private and Not-for-profit Stakeholders in Financial Education

📖 CASE STUDY: AUSTRALIA

Recognition of the OECD/INFE Guidelines by the National Financial Literacy Strategy supporters

In Australia, the Australian Securities and Investments Commission (ASIC) has developed a network of organisations that actively support the objectives of the national strategy through the implementation of their programmes. These organisations are publicly listed in a Supporters section on the website (www.financialliteracy.gov.au/supporters) that contains a schedule outlining work being undertaken in support of the Strategy across the government, business and industry, education, community and not-for-profit sectors. This is in accordance with one of the principles underpinning the implementation of the Strategy, according to which improving financial literacy is a shared responsibility across the Australian government, business, community and education sectors.

ASIC specifically states that, to be included as a strategy supporter, an organisation must be committed to delivery of financial literacy initiatives that are:

- consistent with the Strategy's core principles;
- aligned with one or more of the strategic priorities in the 2014 action plan; and
- balanced, impartial, unbiased and not linked to an organisation's commercial priorities, in accordance with the OECD/INFE guidelines.

📖 CASE STUDY: CANADA

Criteria for inclusion in an online resource database

The Canadian Financial Literacy Database, managed by the Financial Consumer Agency of Canada (FCAC), provides Canadians with a national online database, in English and French, of personal finance calculators or tools, financial education programmes, videos, books, articles, workshops, worksheets, games, other resources and information about events, etc. aimed at creating awareness about financial literacy for Canadians. The database is searchable in a variety of ways (e.g. by resource type, by language, by topic, by target audience, etc.) to allow users to find the right information as easily as possible. It also serves as a networking tool, helping like-minded organisations to connect and build partnerships.

Resource information is submitted to FCAC by external stakeholders (both public and non-public organisations) via an online tool for inclusion in the database. Submissions are accepted if they meet the terms of use and the chosen eligibility criteria based on the OECD/INFE Guidelines for Private and Not-for-profit Stakeholders in Financial Education.

Only resource information that FCAC determines in its sole discretion meet the following criteria will be published in the Database:

- it contributes to the financial literacy of Canadians;
- it is available in English or French or both;
- it is available to the general public (for free or by paying a reasonable fee); and
- it does not promote the sale of a particular product or service or favour a particular product or service over others (i.e. solely commercial products will not be included).

 CASE STUDY: JAPAN

Criteria for neutrality of financial education programmes

The “Committee for the Promotion of Financial Education” worked on the development of criteria to ensure neutrality and fairness when conducting financial education activities. To be more precise, the criteria are based on the following:

- Content: the financial educational activities by related organisations should be based on the contents of “Minimum Financial Literacy for the public”, as defined by Study Group on Financial Education;
- Neutrality and Fairness: specific financial products (including financial product types) or business with specific financial companies must not be recommended when conducting financial education programmes.

Detailed guidelines

1. In lecture meetings, seminars, and delivery classes in schools (i.e. classes taught by guest teachers), it is not allowed to talk about and distribute documents about specific financial products (including financial product types) or business with specific financial companies. Lecturers should not provide materials from specific financial companies to the participants or students.
2. In lecture meetings, seminars, and delivery classes in schools, it is not allowed to talk about and distribute documents advising not to deal with specific financial products or specific financial companies. However, it is possible to bring attention to financial companies or products that have been deemed in breach of existing laws and regulations, and to recommend not dealing with them.
3. Financial education lectures or programmes should not be held back-to-back with promotional activities offering specific financial products or business with specific financial companies.
4. Teaching materials used in financial educational activities are clearly separated from materials for business, and as a rule, names and logos of specific financial companies should not be printed on these teaching materials. If it is inevitable to print them on teaching materials, it should be added that that is not a recommendation to deal with them.
5. Participation in lectures, meetings, seminars, and delivery classes in schools should not be restricted to those who have customer relations with specific financial companies or have purchased a specific financial product.
6. When selecting participants of lecture meetings or seminars or schools for delivery classes, if interested participants exceed available places, appropriate methods such as first-come-first-served or a lottery should be used.
7. Lecture meetings, seminars, and delivery classes in schools should be held with no fees whenever possible. If collecting fees from participants is absolutely necessary, those should be kept as low as possible.
8. The personal information received in the process of holding lecture meetings, seminars and so on, should not be used for profit or passed on to financial institutions.

The Principles for Financial Education Initiatives

The Portuguese National Plan for Financial Education is led by the National Council of Financial Supervisors and it provides a framework for financial education initiatives developed by a large number of entities. The 'Principles for Financial Education Initiatives' (National Council of Financial Supervisors, 2012) were published to guide and frame the initiatives of all entities willing to develop financial education initiatives within the scope of the National Plan.

The Principles guarantee that the initiatives are in line with the objectives and quality standards of the National Plan and define requirements aimed at preventing conflicts of interest arising from the involvement of financial institutions in financial education initiatives.

The Principles define the following criteria of quality:

- The principles of accuracy and timeliness establish that information in financial education initiatives shall be accurate, complete, up-to-date and relevant;
- The principle of impartiality states that information in financial education initiatives shall be impartial, objective and free of value judgments;
- The language and content of financial education initiatives shall be pedagogical and consider the characteristics of the targeted group.

The objective of the Principles regarding the preventing of conflicts of interest is approached by the above principle of impartiality, which further establishes that financial education initiatives shall not be used as marketing or advertising vehicles and shall not make references to specific financial institutions or particular financial products or services. Additionally, the Principles define conditions for the use of logos and brands, which must aim solely at identifying the promoting entities and have size limits. Where financial institutions participate in the initiatives, the logo or brand shall only be used together with those of the respective representative associations; therefore, financial institutions shall develop the initiatives jointly with the sector associations.

The financial education initiatives taken within the framework of the National Plan are disseminated through the Plan's website (www.todoscontam.pt) and must comply with the Principles. Although the National Plan does not explicitly confer a 'certification' or a 'quality stamp' on financial education initiatives, their disclosure in the website constitutes an implicit validation of quality.

The Principles were also formally acknowledged by the Ministry of Education and Science, which is not in favour of having financial institutions developing financial education projects in schools; therefore, the Ministry disseminated these Principles among all schools as a guide to develop financial education initiatives in school environment.

Other examples of the application of the Principles are the projects submitted to the Financial Education Competition that rewards the best financial education projects in schools and the financial education initiatives developed in the Financial Literacy Day (31 October), which must observe these quality standards.

Table 3.2 Leading authorities and co-ordinating bodies in G20 economies with a fully-fledged national strategy

<p>AUSTRALIA</p>	<p>Leading authority: Australian Securities and Investments Commission (ASIC)</p> <ul style="list-style-type: none"> <i>Responsibilities:</i> Among statutory objectives is “promote confident and informed participation by investors and consumers in the financial system”. Since 2008 ASIC has been the Government agency with national responsibility for financial literacy in Australia. <p>Advisory body:</p> <p>ASIC is supported by the Australian Government Financial Literacy Board: a non-statutory body that provides strategic advice to government and ASIC on financial literacy issues (existed prior to the implementation of the strategy).</p> <ul style="list-style-type: none"> <i>Membership:</i> Respected leaders from the business, education and community sectors who volunteer their services and expertise. Members are appointed by the Assistant Treasurer and Minister for Finance.
<p>BRAZIL</p>	<p>Development body: design</p> <p>Committee for the Regulation and Oversight of Financial, Capital, Insurance, Pension Funds and Capitalisation Markets (COREMEC), through a dedicated Working Group.</p> <ul style="list-style-type: none"> <i>Membership:</i> Central Bank of Brazil, Brazil’s Securities and Exchange Commission (CVM), Brazil’s National Superintendence for Pension Funds (PREVIC), Brazil’s Superintendence of Private Insurance (SUSEP). <p>Leading authority and co-ordinating body: monitoring and oversight of implementation</p> <p>National Committee on Financial Education (CONEF)</p> <ul style="list-style-type: none"> <i>Membership:</i> A Deputy-Governor of the Central Bank, President of the Securities and Exchange Commission of Brazil (CVM), Superintendent-Director of Brazil’s National Superintendence for Pension Funds (PREVIC), Superintendent of Brazil’s Superintendence of Private Insurance (SUSEP), Executive-secretary of the Ministry of Education (MEC), Executive-secretary of the Ministry of Finance (MF), Executive-secretary of the Ministry of Social Security (MPAS), Executive-secretary of the Ministry of Justice (MJ), four representatives of civil society: ANBIMA, BM&FBOVESPA, FEBRABAN, and CNSEG. <i>Responsibilities:</i> defines plans, programmes, actions, and coordinates ENEF’s implementation <i>Sub-committees:</i> Pedagogic Support Group; Monitoring and Fiscal Committee; Permanent Commission. <p>Implementing bodies:</p> <p>CONEF members</p> <p>Brazil’s Association of Financial Education (AEF- Brasil)</p> <ul style="list-style-type: none"> <i>Membership:</i> Associations representing banking (FEBRABAN), insurance (CNSEG), and capital market (ANBIMA) institutions, plus the exchange BM&FBOVESPA <i>Responsibilities:</i> in partnership with CONEF it is responsible for conceiving, planning, structuring, developing, implementing and administering national strategy initiatives.
<p>CANADA</p>	<p>Leading authority and leader:</p> <p>Financial Consumer Agency of Canada and the Financial Literacy Leader</p> <p>Advised by the National Steering Committee on Financial Literacy.</p> <ul style="list-style-type: none"> <i>Membership:</i> drawn from public, private and non-profit sectors engaged in financial education. <i>Responsibilities:</i> advise the Leader on the development and implementation of the plan. Its members act as champions within the sectors they represent, ensuring a coordinated approach and alignment with the broad objectives.

INDIA	<p>Co-ordinating and leading body – development and implementation phase:</p> <p>Financial Stability and Development Council (FSDC) chaired by the Union Finance Minister, Government of India, with heads of all financial sector regulators as members.</p> <p>Technical Group on Financial Inclusion and Financial Literacy of the FSDC-SC: headed by the Deputy Governor of the Reserve Bank of India (RBI) and includes representatives from all financial sector regulatory authorities and Ministry of Finance, Government of India. This group co-ordinates the efforts of the financial sector regulators in the field of financial education.</p> <p>Implementation body:</p> <p>National Centre for Financial Education (NCFE): an institute specially created with participation and resources from all financial sector regulators which will report to the FSDC Technical Group. A Core Committee has been constituted for focused and regular interaction with all stakeholders, for faster implementation of the national strategy.</p>
INDONESIA	<p>Co-ordination among the Financial Services Authority (OJK), Bank Indonesia, the Ministry of Education and Culture, and the Ministry of Manpower.</p>
JAPAN	<p>Leading and coordinating authorities:</p> <p>Financial Services Agency (JFSA) and Bank of Japan (through the Central Council for Financial Services Information, CCFSI)</p> <ul style="list-style-type: none"> • <i>Membership of the CCFSI:</i> representatives of financial and economic organisations, media, consumer groups, etc., experts, and the Deputy Governor of the Bank of Japan, with the director-generals of related authorities, including the FSA, and the executive director of the Bank of Japan taking part as advisers (Secretariat of the CCFSI: Public Relations Department, Bank of Japan).
KOREA	<p>Leading authority: Financial Service Commission</p> <p>Co-ordinating body: Financial Education Council</p> <ul style="list-style-type: none"> • <i>Membership:</i> Vice-Chairman of the Financial Services Commission as Chair, public organisations (Financial Supervisory Service, Korea Deposit Insurance Corporation, Credit Counselling & Recovery Service), 7 financial sector groups (Korea Federation of Banks, Korea Financial Investment Association, General Insurance Association of Korea, Korea Life Insurance Association, Credit Finance Association of Korea, Korea Federation of Saving Banks, National Credit Union Federation of Korea), private organisations (Korea Council for Investor Education, Financial Quotient Council, Korea Investors' Protection Foundation). • <i>Main responsibilities:</i> a non-standing body, will co-ordinate all authorities involved in financial education and co-ordinate basic policy directions for feasible financial education, examine how financial education is provided by each institution and continue to upgrade the Financial Education Activation Plan. It also examines the current status of financial education in Korea and presents policies on how to build the infrastructure by drawing up guidelines necessary for national financial education.
MEXICO	<p>Leading authority: Ministry of Finance and Public Credit</p> <p>Co-ordinating body: The Committee for Financial Education (CEF)</p> <ul style="list-style-type: none"> • <i>Membership:</i> Chaired by the Ministry of Finance and Public Credit and composed of financial authorities. • <i>Responsibilities:</i> <ul style="list-style-type: none"> ○ To define the priorities and formulate the guidelines of the financial education public policy; ○ To prepare the National strategy for financial Education; and ○ To plan the activities of the National Financial Education Week.

<p>RUSSIAN FEDERATION</p>	<p>Leading authority: Ministry of Finance Supervisory and coordinating body: The Interagency Project Commission (IAPC)</p> <ul style="list-style-type: none"> • <i>Membership:</i> created by the Ministry of Finance and chaired by the Deputy Minister of Finance. Members also include the Central Bank, the Ministry of Education, the Ministry of Economic Development, the Consumer Protection Agency. • <i>Responsibilities:</i> it supervises the overall project implementation and provides strategic oversight of the implementation of specific project activities <p>A Working group of the Ministry of Finance provides operational management support. The International Expert Board provides expertise and support to the IAPC.</p>
<p>SOUTH AFRICA</p>	<p>Leading implementing authorities: National Treasury Financial Services Board (FSB), also acts as Secretariat to the National Consumer Financial Education Committee (NCFEC)</p> <p>Co-ordinating body: National Consumer Financial Education Committee (NCFEC)</p> <ul style="list-style-type: none"> • <i>Membership:</i> all regulators (National Credit Regulator, South African Reserve Bank, Financial Services Board, National Consumer Commission), Government Departments (Trade and Industry, National Treasury, Ministry of Education, Provincial Consumer Affairs Offices Forum), Consumer representatives, Ombudsmen Offices, Industry Bodies and Associations. • <i>Main responsibilities:</i> convened by National Treasury for the purposes of coordinating financial education initiatives and jointly finalising the national policy and crafting national strategy
<p>TURKEY</p>	<p>Leading authority: The Capital Markets Board (CMB) <i>Responsibilities:</i> co-ordinates implementation</p> <p>Co-ordinating body: Financial Stability Committee</p> <ul style="list-style-type: none"> • <i>Membership:</i> Deputy Prime Minister for Economic and Financial Affairs as Chair, Undersecretary of Treasury, Governor of Central Bank of The Republic of Turkey, Chairman of Banking Regulation and Supervision Agency, Chairman of Capital Markets Board of Turkey, Chairman of Savings Deposit Insurance Fund • <i>Responsibilities:</i> Supervises the implementation of the Financial Access, Financial Education and Financial Consumer Protection Strategy and Action Plans; the Financial Education Action Plan is implemented under the co-ordination of the Capital Markets Board of Turkey while the Financial Consumer Protection action plan is implemented by the Banking Regulation and Supervision Agency.
<p>UNITED KINGDOM</p>	<p>Leading authority: Money Advice Service (MAS)</p> <p>An independent body created by the UK Government.</p> <ul style="list-style-type: none"> • <i>Responsibilities:</i> to enhance the nation's financial capability and provide generic and unbiased financial advice.

Co-ordinating body:**Financial Literacy and Education Commission (FLEC)**

- *Membership:* Secretary of the Treasury as Chair, Director of the Consumer Financial Protection Bureau as Vice-Chair (following the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010), Board of Governors of the Federal Reserve System (FRB), Commodity Futures Trading Commission (CFTC), Consumer Financial Protection Bureau (CFPB), Department of Agriculture (USDA), Department of Defense (DoD), Department of Education (ED), Department of Health and Human Services (HHS), Department of Housing and Urban Development (HUD), Department of Labor (DOL), Department of Treasury (Treasury), Department of Veterans Affairs (VA), Federal Deposit Insurance Corporation (FDIC), Federal Emergency Management Agency (FEMA), Federal Trade Commission (FTC), General Services Administration (GSA), Office of the Comptroller of the Currency (OCC), National Credit Union Administration (NCUA), Office of Personnel Management (OPM), Securities and Exchange Commission (SEC), Small Business Administration (SBA), Social Security Administration (SSA), and The White House – Domestic Policy Council.
- *Responsibilities:* develop the national strategy and co-ordinate resources and activities among the Commission's member agencies.
- *Sub-committees:* Children and Youth Committee, Post-secondary Education Committee, Early Career/Planning for Retirement Committee, Research and Evaluation Subcommittee.

CHAPTER 4. SETTING AND ACHIEVING OBJECTIVES, EVALUATING AND FUNDING THE NATIONAL STRATEGY

The OECD/INFE High-level Principles on National Strategies for Financial Education recommend that a national strategy framework encompass the design of a tailored roadmap including an overall and cross-sectoral vision as well as realistic, measurable and time-bound objectives.

There are several challenges associated with this phase. Roadmaps and action plans for a national strategy must define what is a realistic objective that can be measured and widely agreed. The roadmap should also plan an overall impact assessment mechanism, employing a variety of quantitative and qualitative instruments, from financial literacy indicators and programme evaluation evidence to consultation with implementing stakeholders. In addition, identifying and securing appropriate resources can require pooling budgets of different public authorities, defining appropriate frameworks for the contribution (financial or in-kind) of private institutions, or even changing financial sector regulation to define levies on the industry. This is made even more challenging as resources must be sustainable over time, given the long-term nature of financial education policies.

This chapter looks at the evolution in the design of roadmaps and action plans and how their implementation is being evaluated and funded. It provides selected lessons learnt for each process based on experiences of countries with national strategies at an advanced stage of implementation.

FROM POLICY TO ACTION: ROADMAP AND ACTION PLAN

The development and implementation of national strategies can be set out in roadmaps and/or in action plans or a combination of the two. The distinction between the two guiding documents might not apply to all national strategies, as objectives are set differently and by a different number/range of institutions and stakeholders depending on national circumstances.

The national strategy documents that are approved by public authorities and often showcased on national strategy websites can be described as roadmaps. These are designed in almost all countries with a national strategy in development or implemented. As mentioned in the OECD/INFE High-level Principles (OECD/INFE, 2012b), roadmaps are aimed at setting overall agreed priorities, medium- and long-term objectives, as well as target audiences, defining governance mechanisms and establishing methods for the overall impact assessment of the strategy. They can also identify the appropriate resources for the national strategy.

Roadmaps are often drawn in co-operation with stakeholders from the private and not-for-profit sectors, as well as the input of relevant public authorities involved in the national strategy. This can be achieved through inter-sectoral meeting within the public sector, public consultation, as well as by assigning different thematic areas of the roadmap to working groups composed of private sector organisations under the supervision of a government representative.

In addition to roadmaps, some countries have also developed, and made public, more detailed operational plans that are implementation-oriented by nature. These are often defined as action plans. A limited number of actions plans to implement the national strategy have been established so far (12 among the economies part of the OECD/INFE survey), consistent with the smaller group of economies that have entered the implementation phase of the strategy.

These action plans, in addition to the elements of a roadmap, also provide more precise targets and/or benchmarks to be met or expected outcomes of these interventions. In Estonia for example, the action plan sets a target for the number of people shopping around before buying a financial product, which should reach 55% in 2020 compared to 44% in 2012, based on national measurement survey results. In other cases, as in Israel, the action plan sets out objectives such as a 10% decrease in overdrawn bank accounts, or a 10% increase in bank accounts monitoring frequency. Similar quantitative objectives and benchmarks can be found in New Zealand (see case study below).

Action plans also set out priorities and targets for the implementation of the strategy and identify indicative actions for the institutions (both public and from the not-for-profit and private sector) contributing to the implementation of the strategy.

Case studies

The three case studies below highlight the different nature of roadmaps and action plans. In the first one, the Financial Services Agency of Japan convened relevant public authorities and experts to redefine the objectives of the strategy, to identify the core competencies for target groups, as well as to select sources of funding for the activities.

New Zealand is an example of an action plan that indicates long-term objectives to be reached, the actions to be conducted in order to reach them, as well as specific quantitative goals for each of the main priorities of the national strategy. These goals are set against benchmarks based on the data collected through the national financial literacy measurement survey. The case of the United States is a useful example of a roadmap drafted for a specific target group, young people: starting from an agreed priority of the strategy, i.e. improving the financial literacy of young people, the document sets medium and long term objectives around key areas and identifies the expected results.

CASE STUDY: JAPAN

The Report of the Study Group on Financial Education, a roadmap for the National Strategy

In November 2012, the Financial Services Agency of Japan (FSA) established the “Study Group on Financial Education” within the Financial Research Center, involving experts, related ministries/governmental offices and other organisations such as the Central Council for Financial Services Information (CCFSI). The Study Group held seven meetings up to April 2013.

The Study Group drafted the future course of action for financial education in the country, taking into consideration behavioural aspects, and discussed the definition of core competencies (a common minimum standard of financial literacy). The “Study Group on Financial Education” published its report in April 2013. This report acted as a roadmap to guide the implementation of financial education policies in Japan.

This report highlighted the following points:

- First, since there were various institutions promoting financial education in Japan, it was necessary to implement the initiatives more efficiently and more effectively by sharing a common minimum level of financial literacy to be attained, securing the necessary budget for the various activities, and avoiding the duplication of efforts among those institutions.
- Second, for the future promotion of financial education, it was necessary for related authorities and especially the FSA to play a more substantial role.
- Finally, for that purpose, it was appropriate to set up a committee (“Committee for the Promotion of Financial Education”) by using the extensive national territorial network of the CCFSI to promote financial education.

The use of quantitative goals and benchmarks in the National Strategy action plan

The New Zealand 2015 National Strategy for Financial Capability (Commission for Financial Capability, 2015) makes clear recommendations to all interested sectors on the best ways to achieve the greatest impact in the implementation of the strategy. The Commission for Financial Capability (CFFC) prepared a draft discussion document on which it sought feedback from stakeholders, incorporating some of their feedback into the final National Strategy document.

This document acts as an action plan to implement the strategy, with the identification of five activity streams: talk, learn, plan, debt-smart and save/invest. For each of these streams, the document sets clear objectives to be attained in order to deliver the desired outcomes. In some cases, the document identifies clear quantitative goals to be reached by 2025, and sets them against precise benchmarks.

The example of the promotion of the activity stream “long-term savings and investments”

For the activity stream “everyone saving and investing”, the document sets out the following outcomes to be attained:

- more people save and invest for the short, medium and long term;
- more people actively engage with and contribute to KiwiSaver (a national voluntary long-term savings scheme); and
- more people save and invest in a wide range of assets.

The document explains the benefits associated with these outcomes, such as an increase in individual and household net worth and decrease in unproductive debt, as well as challenges, such as continued reliance on property as a saving vehicle. It then identifies actions to be conducted.

Actions	Goals 2025	Benchmarks
Conduct campaigns to drive more saving and investing	90% of people put money into short, medium, and long-term savings and investments	Up from 74% (Financial Behaviour Index)
Run investor education programmes	80% of investors invest in assets in addition to KiwiSaver, such as bonds, shares and managed funds	Up from 66% (Financial Behaviour Index)
Promote key investing principles via workplace financial education programmes	100% of current and potential investors understand key investment principles	Benchmark to be finalised (Financial Knowledge and Behaviour Survey)
Conduct campaigns to encourage KiwiSaver members to actively engage with and contribute to KiwiSaver	90% of KiwiSaver members qualify for the member tax credit	Inland Revenue KiwiSaver Evaluation
Promote community saving and investment schemes among Māori	90% of the largest Kiwi offer saving schemes	Like that offered by <i>Ngai Tahu</i> through the <i>Whai Rawa</i> scheme

Finally, the action plan also includes benchmarks against which to measure progress, with explicit links made to the evidence informing the implementation of the national strategy.

CASE STUDY: UNITED STATES

A roadmap for a specific target group, young people

In October 2012, the United States Financial Literacy and Education Commission¹⁰, committed to helping Americans by making Starting Early for Financial Success a strategic focus to make improvements in the financial literacy of young people. The Commission selected this strategic focus, recognising that the financial stability of young people – and their families – is vital to the overall strength of the United States' economy.

The strategic focus is intended to serve as a platform for achieving a primary purpose of the Commission – to better coordinate resources and activities among the Commission's member agencies¹¹. A shared strategic focus should help Commission member agencies better coordinate activities, achieve greater effectiveness and efficiency, leverage resources, and identify areas where additional resources might be needed. The Commission identified specific outcomes to ensure accountability and to better assess the Commission's impact from its efforts.

Key areas and objectives identified were the following:

Key areas	Objectives
American youth are financially capable by the time they reach adulthood.	Increase the financial knowledge, skills, confidence, and access of youth by the time they leave school by ensuring children (1) are effectively taught financial basics by informed and confident parents, teachers, or others, and (2) have access to basic financial products and services, such as savings accounts as a way to promote a lifetime of financial capability.
Higher education is within reach to more Americans, and is understood and evaluated as an investment.	Increase the number of students who are sufficiently prepared to evaluate the best way to pay for higher education by helping students, potential students, and their families wisely use tools and information to make good decisions about paying for higher education.
Americans start to plan and take action early in their careers for long-term financial well-being.	More young adults and newly-employed workers are better prepared to (1) manage short and long-term expenses and investments and (2) plan, save, and invest for retirement and other long term goals.
Learning about and assessing the effectiveness of financial capability through research and evaluation is an on-going priority.	Identify ongoing support for research and evaluation that implements the Commission's Research Priorities, both as stand-alone research and integration into other research.

Expected Outcomes

As a result of the Commission's strategic focus on Starting Early for Financial Success, a number of outcomes have been identified that impact the financial literacy and decision making of young Americans. The Commission, its member agencies, and other partners are expected to see the following results of their work:

- More financial institutions will develop plans to open savings accounts for children, through venues such as school-based bank or credit union programmes, to help children build sound financial management habits.
- More federally funded social service providers will be able to connect their low-income clients to resources on financial education and asset-building. This will help the clients better manage their financial resources.
- Through summer or other employment programmes, more communities will offer opportunities for youth to obtain financial education and access to products and services to help them manage their money safely and affordably, such as direct deposit into a bank or credit union account.
- More school counsellors and others will be able to better guide students and their families to make sound

¹⁰ The Commission was established under the Fair and Accurate Credit Transactions Act of 2003. It is chaired by the Secretary of the Treasury or designee and currently includes representatives of 21 federal agencies, listed below, and the White House. The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 provided that the Director of the CFPB would serve as the Vice Chairman of the Commission.

¹¹ Commission members: Office of the Comptroller of the Currency (OCC); Board of Governors of the Federal Reserve System (FRB); Federal Deposit Insurance Corporation (FDIC); National Credit Union Administration (NCUA); Securities and Exchange Commission (SEC); Departments of Treasury, Education (ED), Agriculture (USDA), Defense (DoD), Health and Human Services (HHS), Housing and Urban Development (HUD), Labor (DOL), and Veterans Affairs (VA); Federal Trade Commission (FTC); General Services Administration (GSA); Small Business Administration (SBA); Social Security Administration (SSA); Commodity Futures Trading Commission (CFTC); Office of Personnel Management (OPM); Consumer Financial Protection Bureau (CFPB); Federal Emergency Management Agency (FEMA) and The White House Domestic Policy Council.

financial decisions about higher education choices.

- More institutions of higher education will plan to expand financial education provided to students.
- More borrowers of federal student loans will become aware of and consider repayment options to help them manage their debt.
- More workers in the federal government and beyond will have access to financial education in the workplace to help them make informed choices to manage their current needs and debt and plan and save for their retirement.

All of these activities will be informed by, and further inform, effective practices for promoting financial literacy to help more Americans build a sounder financial future.

MONITORING AND EVALUATING THE NATIONAL STRATEGY

Monitoring and evaluation of the overall national strategy is essential from an accountability perspective, to provide valuable evidence to improve financial education interventions and policies and contribute to their sustainability on the longer term. Two thirds of countries (for which information is available) are monitoring the implementation of their national strategy. A smaller group reports planning to evaluate or having already evaluated their national strategy, consistent with the relatively modest (but growing) number of countries that have reached the implementation phase of the strategy.

The strategy is ideally evaluated *quantitatively*, through surveys, and *qualitatively*, through a range of tools including consultation with stakeholders and collection of evaluation evidence from programme deliverers.

The main instrument used to *quantitatively* monitor progress is repeated waves of a financial literacy survey and secondary analysis on the data collected (or where they do not exist, repeated waves of a household survey). This allows public authorities to track progress on a population-wide scale and observe changes among specific target groups (see also case studies in Chapter II).

The assessment of financial literacy needs and gaps can be instrumental in refining priorities and monitoring the implementation and the effectiveness of the national strategy and/or of its specific programmes and policies (see Chapter I). This can lead to the development of financial literacy indicators or trackers, whose results are used as a supplement to national measurement surveys, and at more frequent intervals, in order to track the evolution of financial literacy and behaviours and help public authorities to guide the implementation of their national strategies. This is especially the case in the countries that have been implementing national strategies for longer and have more data available (e.g. Australia, New Zealand and South Africa, see the Box 4 below).

Box 4.1 The development of financial literacy and financial behaviour indicators to monitor the overall national strategy

Public authorities can monitor the implementation of the national strategy through financial literacy measurements and related qualitative data collection and analysis. The development and use of financial literacy indicators is a recent trend. Financial literacy indicators are increasingly used notably by the institutions that have a longer record in implementing financial education policies, as well as in-house research capabilities and/or easier access to external polling agencies.

These indicators are not meant to substitute the use of national measurement surveys. They are rather intended to supplement existing information on financial literacy levels provided by nation-wide measurement exercises. They are also intended to provide public authorities with data to track changes in financial literacy knowledge, attitudes and behaviours, in order to inform and assess the effectiveness of the national strategy and of its main programmes.

Australia

In 2014, the Australian Securities and Investments Commission (ASIC) initiated some new research, the Australian Financial Attitudes and Behaviour Tracker, to track changes and trends in some key financial attitudes and behaviours at six-month intervals (ASIC and Sweeney Research, 2014). The research is being conducted via a 20-minute quantitative online survey of over 1300 Australian adults. The questions cover a range of behaviours related to personal finances (e.g. budgeting, saving, borrowing, managing debt, short and long-term planning and investing), and are aligned to the five behavioural indicators identified in the 2011 ANZ Survey.

The benchmark report, covering the period from March to August 2014, was released in December 2014. It identifies a range of factors that are associated with particular financial attitudes and behaviours, including life stage, gender, household composition, retirement and income. Findings from this and future waves of the survey will inform ASIC's efforts to promote confident and informed consumer and investor participation in the financial system, as well as contribute to the research, measurement and evaluation of Australians' financial literacy levels and well-being under the 2014-17 Strategy.

New Zealand

Beginning in 2011, the Commission for Financial Capability (CFFC) commissioned a shorter (ten minute) online survey which has been carried out every six months to derive a "Financial Behaviour Index" (FBI)¹². The entire set of FBI questions was incorporated in the 2013 Financial Knowledge and Behaviour Survey as a behavioural component, meaning that those questions have now been surveyed using both the face-to-face and on-line methods.

The Financial Behaviour Index was developed out of recognition that the larger survey (see Case Study "New Zealand: evolution from the measurement of knowledge to the analysis of behavioural elements") had a four-year cycle and given rates of change, more frequent monitoring was required. The Index tracks movements in core financial behaviours and (based on the precepts of behavioural economics) is designed to provide feedback and influence change at the level of individual respondents and the system as a whole.

The Financial Behaviour Index showed some changes in behaviour across six waves, for example the proportion of people who earn more than they spend increased from 50 per cent to 56 per cent. On the other hand, between May 2013 and May 2014 the proportion of people with a plan in place to achieve a short-term financial goal decreased by the same amount, i.e. 56 to 50 per cent. Of course these movements are likely to be influenced by a range of factors and it is difficult to draw conclusions as to their significance at this early stage. As the series extends into the future, it should be possible to more confidently track trends and cyclical patterns, and to possibly detect causal relationships.

The FBI's findings have provided a useful platform for public communications about financial literacy. An unexpected benefit has arisen from the use of the behavioural questions in programme evaluations and a 2014 Money Week "Fitness Check Up" (see <http://www.fightingfit.org.nz/>)

South Africa

The Financial Services Board (FSB) has developed, on top of the national measurement survey that is conducted every five years, a composite financial literacy score for monitoring purposes. This is intended both as a follow-up to the national measurement survey and as a touch-base assessment to monitor key developments. The core questions are the same as those in the first baseline survey conducted in 2011 by the FSB, and they are used on different target groups as part of South African Social Attitudes Survey (SASAS) that is conducted annually.

In 2010, South Africa undertook an initial baseline study to determine the financial literacy level of South Africans. The survey included 202 questions addressing specific themes within the four domains. Since 2011, as part of the

¹² The results of the Financial Behaviour Index data from 2011 are available at <http://www.cffc.org.nz/research-and-reports/financial-capability-research/>

Human Science Research Council (HSRC) annual South African Social Attitude Survey (SASAS)¹³, 36 of the original questions have been included to provide an annual 'dipstick' into the current status of financial literacy. The FSB will conduct a major study including all 202 questions every five years with interim surveys including the 36 questions done on an annual basis.

These surveys will assist in providing stakeholders in South Africa with key information on any recent changes in the financial literacy scores of consumers, an update of the financial literacy measures of the baseline study and the ability to identify the socio-demographic groups that are financially vulnerable and at risk.

Both the baseline study and annual surveys are conducted by the HSRC. The use of the same service provider ensures the homogeneity of sampling areas thus allowing comparative data over the years. This enables the FSB to understand longitudinal trends among a consistent and representative sample of South Africa's population.

The results of the annual financial literacy score confirm the results of the first baseline survey, and have been useful in the definition of the priority target groups of the South African national strategy. Beyond the annual SASAS and five year full study, the FSB is currently developing a full monitoring and evaluation framework which will map directly back to the four domains (Financial Control, Financial Planning, Financial Knowledge & understanding, Appropriate Product Choice). This will allow stakeholders to measure their initiatives against the four domains and determine what/if any impact their initiatives are having on the scores rendered by the annual and five-yearly surveys.

The results of the studies together with the information on the central database of stakeholder initiatives will inform the crafting of the strategy, its annual review and the monitoring of its implementation. In addition, all stakeholders are encouraged to monitor and evaluate according to the four domains as outlined in the baseline study i.e. financial planning, financial control, knowledge and understanding and product choice.

Evaluation of the strategy is also conducted *qualitatively* through consultation with stakeholders and through the analysis of the evaluation evidence of its delivery tools (see also chapter IV). The analysis of programme evaluation results can bring useful information on the progress achieved in specific policy areas or on specific target groups, identify successful delivery methods or those that need redesign. To this end, it is essential to have a clear picture of what stakeholders are doing on the ground and ensure good reporting and information mechanisms. This allows an evidence-based allocation of resources and a redefinition of the overall programme delivery mix of the strategy.

These have been used in the evaluation of their strategy along with consultation with stakeholders, either through established consultative committees (as with ASIC's national Financial Literacy Community of Practice network in Australia) or through ad hoc stock-take exercises. In other cases, as in the Netherlands, evaluation of the strategy can also be conducted via controlled experiments using treatment and control groups.

¹³ <http://www.hsrc.ac.za/en/departments/sasas>

KEY LESSONS LEARNT IN DESIGNING ROADMAPS AND ACTION PLANS AND IN MONITORING AND EVALUATING THE NATIONAL STRATEGY

As mentioned in the OECD/INFE High-level Principles on National Strategies for Financial Education, national strategies should define an overall and cross-sectoral vision and set general, realistic and measurable objectives and policy priorities. A review of existing experiences in designing these documents further indicate that:

- The objectives set within roadmaps and action plans benefit in particular from clear and explicit references to the quantitative evidence gathered when conducting financial literacy measurements or to data from financial market surveys or household surveys. These references provide benchmarks and make it easier to measure change and show progress. They also permit to set objectives that are realistic and based on national circumstances.
- Realistic success criteria, whether quantitative or qualitative, can also usefully be assigned to each objective set in the action plan: a clear set of outcomes that describe the change the strategy will make in a way that is meaningful to stakeholders. This contributes to making roadmaps and action plans more outcome-focused and operational.
- When identifying programmes to support the strategy, it is also important to provide directions to the organisations involved in programme delivery. This can be done in consultation with the organisations concerned, which can also help to build consensus on the national strategy's targets, and on the best ways to achieve them.

With respect to the monitoring of the national strategy and to its evaluation, the following key lessons can be identified:

- Roadmaps should include a formal timeframe for the evaluation and revision of the strategy (unless revisions are made continuously through established decision-making structures).
- Methods and tools to monitor and evaluate the overall national strategy should be designed and budgeted for when preparing the national strategy, and should be included in its roadmap and action plan.
- The evaluation of the national strategy can be conducted quantitatively, through repeated surveys, and complemented by qualitative information for instance through consultation and feedback from stakeholders involved in programme delivery and their target audience as well as using evidence from the evaluation of specific programmes.
- The use of financial literacy and behaviour indicators can also allow public authorities to track changes and provide added value to the monitoring of the strategy.
- There are benefits in having standardised indicators and evaluation methods throughout the country, in order to be able to compare and analyse more effectively evaluation and monitoring data from a variety of private and not-for-profit stakeholders implementing financial education programmes.
- The development of core competencies on financial education can support evaluation, as they identify common financial literacy targets against which to measure progress.

The importance of good reporting to measure progress made in the national strategy's implementation should not be overlooked. Implementing bodies should be encouraged to provide updates on the activity conducted as well as evaluation evidence, and also report, nationally and (where relevant) internationally, other significant information necessary to track the impact of the strategy and knowledge of what works.

Case study

CASE STUDY: AUSTRALIA

Monitoring the implementation of the national strategy through qualitative and quantitative criteria

Under the National Financial Literacy Strategy 2014-17 (Australian Government, 2014), ASIC has committed to oversee implementation, working closely with the Australian Government Financial Literacy Board, and to provide an annual report on progress.

To facilitate monitoring and reporting, the 2014-17 Strategy includes, for the first time, key indicators/criteria aligned to some of the core actions under each of the Strategy's five priorities.

The key criteria will help ASIC compile baseline information to assist in tracking delivery and implementation of core actions under the Strategy. The indicators were developed in close consultation with stakeholders and deemed to be the most critical to assessing the Strategy's progress. See Table 1.

Table 1: National Financial Literacy Strategy 2014-17 – strategic priorities and key indicators

Strategic priority	Key criteria
1. Educate the next generation, particularly through the formal education system	<ul style="list-style-type: none">• Number of schools engaging in financial literacy education• Number of teachers participating in ASIC's MoneySmart Teaching professional learning programme• Number of vocational education and training (VET) students participating in financial literacy education
2. Increase the use of free, impartial information, tools and resources	<ul style="list-style-type: none">• Number of people accessing ASIC's MoneySmart website and print materials• Number of people accessing other free, impartial sources of information, tools and resources• Outcomes of research studies and evaluations show changes in financial well-being
3. Provide quality targeted guidance and support	<ul style="list-style-type: none">• Number of people assisted by national targeted guidance and support programmes• Feedback from intermediaries about guidance and support provided• Outcomes of research studies and evaluations show changes in financial well-being
4. Strengthen co-ordination and effective partnerships	<ul style="list-style-type: none">• Enhanced cooperation and partnership between relevant government departments• Feedback from members of ASIC's national Financial Literacy Community of Practice network• Feedback from attendees at national forums and workshops
5. Improve research, measurement and evaluation	<ul style="list-style-type: none">• ANZ Survey of Adult Financial Literacy in Australia• Number of financial literacy programmes being evaluated• Feedback from financial literacy stakeholders on opportunities to share information and recognise good practice

Tracking and reporting on progress against the criteria will require collecting a mix of quantitative and qualitative data on an annual basis, from within ASIC as well as from external stakeholders.

It is important to note that the key criteria are not intended to cover all activity carried out under the Strategy. There will be scope in the annual reporting process to highlight additional data and activities and share outcome stories, for example through case studies.

Tracking changes in Australians' financial literacy, behaviour and attitudes over the longer term is also part of monitoring progress under the Strategy (see also Box 4.1 "The development of financial literacy and financial behaviour indicators to monitor the overall national strategy"). The ANZ Survey of Adult Financial Literacy in Australia, conducted at roughly three-yearly intervals since 2003 is, and continues to be, the primary reference point for measuring population-wide financial literacy levels in Australia and observing changes over time.

The findings from a range of other research may also be considered in evaluating the extent of progress of the Strategy over time, especially with regard to specific segments of the community. This additional research may include relevant OECD surveys such as the Programme for International Student Assessment (PISA) financial literacy assessment, aspects of national household panel surveys (e.g. Household, Income and Labour Dynamics in Australia (HILDA) survey), evaluations of national, targeted financial literacy initiatives and research on the financial attitudes and behaviours of Australians (Australian Financial Attitudes and Behaviour Tracker).

THE MEANS: FUNDING THE STRATEGY

The majority of responding countries mentioned that their national strategy is financed by a combination of public and private resources (more than two thirds of respondents). However public sources of funding seem to have a prominent role in most countries.

Public funding either comes from general (annual or multi-year) government budget or from statutory provision within the public institutions involved in the national strategy depending on the structure of the national strategy. In countries with a strong leading body or institution, the budget is generally centralised. In countries where the responsibility of implementing the strategy is shared amongst different stakeholders, the budget is also set independently within each institution in charge of a particular project or sector. In some cases, as in Chile, each institution devolves equal amounts to the development of the strategy. However, in many cases the budget comes from different areas of each institution involved in the implementation of the strategy, thus it is not always possible to define the exact amount of the global budget devoted to the national strategy, even when this is entirely public.

Funding is also sometimes collected through a statutory levy on private financial institutions (as in Ireland, South Africa and the United Kingdom) or made available from the collection of fines for contraventions to regulation (South Africa). In addition, in countries such as Indonesia and South Africa, private financial institutions have to develop financial education as a part of their social responsibility strategy. In some others, private institutions provide some voluntary funding for particular public or not-for-profit financial education projects. The Government of Canada has recently secured a commitment from Canada's banks to establish a five-year Financial Literacy Partnership Fund of over seven million EUR to provide grants to eligible community organisations for projects that work to improve the financial literacy capabilities of Canadians.

Overall, between 1 million EUR to a maximum of 18 million EUR per year is spent by public authorities on national strategies in economies where they are implemented (based on the sample who have disclosed their data): two million EUR in Spain (excluding human resources, that are paid through the institutions' budgets), 2.6 million EUR in the Netherlands, 3.5 million EUR in Canada, 8 million EUR in Israel, 18 million EUR in the Russian Federation. The amount obviously depends on the size of the country and the importance of the national strategy. In countries with a considerable budget (such as Russia), the national strategy is very comprehensive (including several evaluated pilot programmes) and also involves the development of a financial consumer protection regime.

Box. 4.2 Spending on financial education vs. financial marketing: the US experience

National strategies for financial education are implemented also with the aim of optimising resources, especially as public funding to be spent on financial education by public authorities can be scarce.

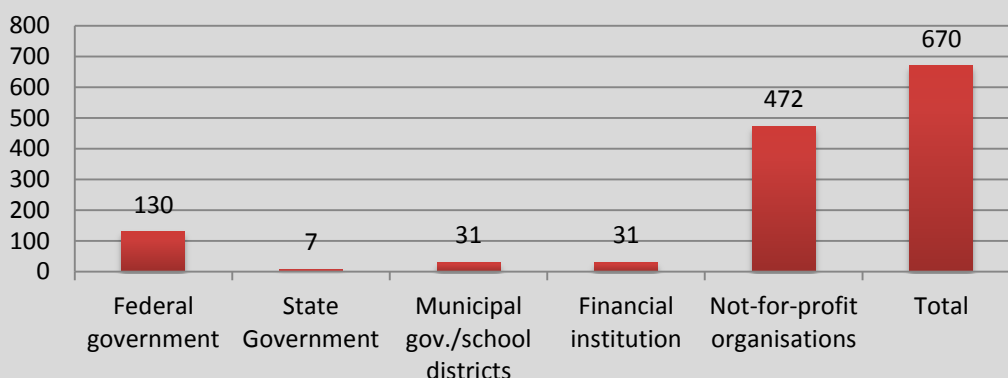
The average consumer both in advanced economies and in emerging markets is increasingly targeted by financial marketing messages by the financial services industry. In this context, it is relevant to look at the amounts spent by the private sector and compare it to those spent by the public sector, in order to better understand the kind of messages received by individuals, and through which media they are delivered, as well as what frames individuals' financial decisions.

A study conducted by the Financial Consumer Protection Bureau (CFPB) in the United States has analysed spending by the public sector in financial education and spending by private financial institutions on financial marketing (CFPB, 2013a). The findings of the research point out to a disparity of resources, but also to an interesting break-down of the providers of financial education outside the public sector.

In terms of resources spent, in the US economy spending on financial industry marketing is found to outweigh financial education spending by 25 times. 17 billion USD are spent on marketing consumer financial products (excluding marketing of products related to retirement, college loans and other investments) versus 670 million USD spent on the direct provision of financial education to consumers.

The research identifies several sources of direct provision of financial education, which is provided in decreasing order of magnitude by not-for-profit organisations, the federal government, municipal governments and school districts, private financial institutions and by state governments.

Direct annual financial education spending in the United States (million USD)



It is interesting to note that two thirds of the total amount comes from private resources, with one third provided by public resources all combined. This calls for an increasing attention to the role that can be played by guidance, principles and codes of conduct in framing the activities of the private and not-for-profit stakeholders (see also Box 3 "Key criteria for the involvement of private and not-for-profit stakeholders in financial education").

With respect to spending on financial marketing, the research identified two marketing spending components: awareness advertising and direct marketing. Awareness advertising includes the delivery of general promotional messages not intended for immediate sales of products, whereas direct marketing includes methods aimed at promoting individuals to make an immediate purchase or generate a lead, such as internet display advertising or direct mail.

The analysis of the products advertised and of the media channels used, although limited to the US market, can offer interesting insights into the marketing and advertising activities of the financial industry. It can provide public authorities with information that is very relevant to design financial education materials and programmes, and to deliver it through the most appropriate channels. It is worth noting in particular that with respect to general awareness advertising, the biggest amounts are spent on credit cards, followed by general banking. With respect to direct marketing spending by media type, internet search and display exceeds by far any other delivery channel, with 44% of spending.

KEY LESSONS LEARNT IN FUNDING THE STRATEGY

National strategies are funded through a variety of sources, modalities and tools. Several key lessons can be drawn from countries' experiences, bearing in mind the differences in national circumstances:

- Long-term planning and multi-year budget horizons are instrumental in implementing effective financial education policies, due to the long-term nature of the behavioural change sought by these public policies.
- Demonstrating impact and return on investment from resources invested in financial education is very important to secure stable sources of budget, especially given the competing policy priorities that governments face nowadays. This calls for good monitoring and evaluation, to ensure accountability in the ways resources are spent, and to allow public authorities to understand which activities have proven successful and are worth receiving additional resources.
- When mixed sources of funding are sought, in order to secure stable funding from the private sector, it is beneficial to involve these stakeholders as early as possible in the design and implementation of the national strategy, to instil a sense of ownership of the initiatives implemented.
- When private stakeholders are financially contributing to the national strategy, appropriate guidelines (based on the OECD/INFE Guidelines for Private and Not-for-profit Stakeholders in Financial Education) should be established to ensure the viability and objectivity of the strategy. Funding mechanisms (such as trust funds) that minimise possible conflicts of interest can also be considered.
- Even when the private sector does not contribute directly to the national strategy, it is important to engage with private financial institutions in order to encourage and facilitate the funding of activities that support the national strategy lead by public authorities.

Case studies

The contribution of resources from the private sector to the activities carried out in the context of national strategies for financial education can create positive opportunities as well as challenges. The examples of Indonesia and South Africa show how private financial institutions can be mandated to conduct financial education programmes by the laws regulating financial markets, in the framework of the national strategy implementation.

CASE STUDY: INDONESIA

Mandating, approving and monitoring the conduct of financial education activities by the private sector

The Indonesia Financial Services Authority (OJK) has a mandate to provide information and financial education as part of the national financial customer protection framework. Supporting this mandate, in November 2013 OJK launched the National Strategy for Financial Literacy. The main objective of the Strategy is to increase the financial literacy level of the Indonesian population, especially among low-income communities. The National Strategy for Financial Literacy consists of many programmes and initiatives categorised into three pillars to be implemented over a period of five years beginning in 2014. This Strategy has become the framework under which both OJK and all private financial institutions conduct financial education programmes.

The National Strategy for Financial Literacy is based around four principles:

- **Inclusiveness:** financial literacy programmes must cover all communities;
- **Systematic and measurable programmes:** financial literacy programmes are well planned, understandable, simple, and their achievements can be measured;
- **Accessibility:** materials and resources are widely distributed across Indonesia and accessible; and
- **Collaboration with stakeholders:** involving all stakeholders to implement the national strategy.

The National Strategy is implemented with the contribution of the private sector. Financial markets regulations mandate the financial services industry to support the objectives set out in the national strategy's roadmap, and in particular to contribute towards the achievement of an increase in the financial literacy target of two percent every year.

The target of two percent increase is based on the financial literacy index baseline which was 21.84% in the 2013 national financial literacy survey. This index is set as a benchmark for Indonesia's financial literacy index, with a two percent increase in financially literate across the population sought every year. Furthermore, the two percent target increase is an average increase of all financial literacy indexes per product category: banking, insurance, capital market, non-bank financing companies, pension funds and pawnshops.

In the context of the national strategy's implementation, all financial institutions whose licences are released by OJK are mandated to have at least one financial education programme per year addressed to the general public and based on the recommendations of the national strategy. This obligation has its foundation in article 14 of the OJK Regulation number 1/2013 on Consumer Protection which took effect on August 6, 2014.

There are approximately 2700 financial institutions in Indonesia, from banking, insurance, multi- finance, pawnshops, securities and pension funds, which are obliged to include their financial education programme in their annual business plan.

The supervisor must give approval to the plan, and then monitor the programme implementation on a regular basis. The financial education programmes must follow the content of the action plans outlined in the National Strategy, and they cannot be part of marketing activity nor sales activity. The programmes should be stand-alone and dedicated to any community based on the company's target audience and strategy.

Any financial institution, by the end of the year, is mandated to submit a proposal for a financial education plan for the following year which consists of :

- Financial education programme(s):
 - should be based on the National Strategy for Financial Literacy,
 - it is not part of marketing activities. Introduction to basic features of financial products and services including knowledge and skills about benefits, costs, and risks are allowed.
- Objectives of the financial education programme;
- Forms of activities and media that are used in promoting financial literacy;
- Target audiences of the programme;
- Frequency of the financial education programme(s); and
- Source of the budget and whether it is part of the institution's social and corporate responsibility activities.

After completion of the education programme(s) proposed in the business plan, financial institutions must submit the programme implementation report to the supervisor as well as Directorate of Financial Literacy, which is part of OJK. The report will be analysed and evaluated as to whether the education programme has achieved the targets outlined on the business plan.

The effects of the regulation mandating financial institutions to conduct financial education programmes can already be assessed in its first year of application. In 2014, 438 financial institutions submitted proposals that included 1055 financial education programmes or activities for the year 2014. The programmes cover topics such as financial planning, banking, insurance, consumer finance, pawnshop and capital market products and services. The programmes planned by private financial institutions have a wide geographical coverage and they target a variety of audiences including students, employees, pensioners, SMEs, women and workers.

Pooling private financial institutions' resources in a trust fund and mandating financial education activities

South Africa's national strategy for consumer financial education is co-ordinated by National Treasury and members of the National Consumer Financial Education Committee (NCFEC). The NCFEC includes representatives from industry bodies, regulators, trade unions, government departments, educational institutions and research companies. The Committee serves to ensure that there is a central, coordinated effort in the delivery of consumer financial education initiatives among all stakeholders. To date, funding for consumer financial education programmes has not been centrally co-ordinated, but rather those who deliver these programmes have sought funding individually.

The use of a trust to fund initiatives

The Financial Services Board (FSB) established the Financial Consumer Education Foundation (FSCEF) as an alternative source of funding consumer financial education initiatives. As the FSB is a regulator, it is not in a position to source funding directly from the industry and often the industry does not have the capacity to deliver targeted consumer financial education programmes. The FSCEF provides a conduit between the financial services industry and the consumer financial education initiatives undertaken by the FSB. The FSCEF is a trust which is responsible for sourcing and allocating financial donations made from private companies (both in the financial services industry and otherwise) for use in consumer financial education initiatives. The Consumer Education Department of the FSB make submissions to the FSCEF for funding of a selection of its projects. The FSCEF considers these proposals and funds them. This model allows for those in the financial services industry who would prefer to fund specialist programmes instead of undertaking them themselves, to donate to the FSCEF. Institutions that donate to the FSCEF may apply for a tax benefit under section 18A of the South African Tax Law. A challenge with this model is that trustees may not be willing to allocate the funds to certain initiatives or there is a mismatch between donors' expectations and what can be practically delivered on.

Financial sector codes

The Financial Sector Codes (Government of South Africa, 2012) require all financial services companies who subscribe to the Codes to ensure 0.04% of their after tax profits are used for consumer financial education. The Codes were established and agreed upon by the financial sector in South Africa to encourage Broad Based Black Economic Empowerment (BBBEE) in South Africa. The financial education criterion is only one of several others in the Codes. These include company ownership, skills development, employment equity and access to financial services, amongst others. The implementation and adherence to the code is done by the Financial Sector Charter Council. The Council has published guidelines for the implementation of financial education and these include: target market, types of programmes, measuring principals for qualifying initiatives and the specification of minimum consumer education standards. Though this equates to a large amount of money, there is no central fund from which this money can be accessed and as the FSB cannot solicit funds directly from financial services providers, access to this money is very limited. However, financial industry bodies, such as the South African Insurance Association (SAIA) and the Association for Savings and Investments in South Africa (ASISA), are in a position to pool member funds for consumer financial education initiatives.

On the positive side, the Code requirements provide a funding base for more financial education activities to be initiated and implemented. From a financial inclusion perspective, this gives consumers broader access to information on financial services and products. The NCFEC is in the process of establishing a database on which all financial education initiatives will be recorded. This will give the Committee a broader picture of how the national strategy is implemented.

Challenges

A major challenge for funding the national strategy with private resources is that, from the regulators' context, funds cannot be solicited directly from private sources as those mandated with consumer financial education are bound through legislation. Another issue is that private companies could have their own agendas and expectations for consumer financial education, one of which may include 'product pushing'. Though the Financial Sector Codes do provide guidelines for branding, often the issue arises when regulated institutions want to co-brand financial education initiatives they have been funded through the FSCEF as these projects are delivered by the FSB. This is an ongoing issue and funders may withdraw their funding as a result of the fact that currently the FSB cannot co-brand with the industry.

CHAPTER 5. ENSURING EFFECTIVE AND INNOVATIVE PROVISION OF FINANCIAL EDUCATION

This chapter aims at highlighting selected traditional and innovative provision of financial education as part of national strategies: from school-based programmes to edutainment and games, from workshops and leaflets to the use of branding and social media. It particularly seeks to identify and highlight combinations of effective delivery methods based on findings coming from evaluation of successful programmes and recent findings from research. As such, it is not intended to be exhaustive or to provide an overview of all successful delivery methods and programmes but rather concentrate on main trends and effective approaches.

MAIN DELIVERY CHANNELS AND TOOLS

National strategies for financial education display a variety of implementation components and delivery channels, based on the policy priorities identified, the subgroups of the population that are targeted, the available budget as well as which channels are used. The delivery channels exploited to provide financial education are increasingly incorporating technology, and benefiting from the results of evaluation, data analysis, and other disciplines such as behavioural economics.

As more national strategies have moved into implementation phase and as more evaluation and research (including findings from behavioural economics and economic psychology) has been conducted on individual programmes, it is possible to identify some of the most effective approaches in the delivery of financial education to individuals as well as communities and target groups. National strategies can incorporate these findings on programme delivery within their roadmaps and include guidance on the delivery of financial education programmes.

The financial education initiatives that have proven to be most effective seek to combine different approaches aimed at:

1. Facilitating access to information and education;
2. Taking into account timing and location and harnessing existing learning environments; and,
3. Supporting individual engagement, motivation and decision-making.

Facilitating access to information and advice through multi-channel delivery

Facilitating access to information can be achieved through a variety of channels, including the creation of national strategy websites, communication campaigns on the strategy or specific areas or priorities within the strategy as well as a multiplicity of tools, including the use of technology.

Websites and web-based tools

In order to maximise impact and the efficient use of resources, the information and tools provided in the framework of the national strategy should be centralised to the extent possible. This can be achieved through the creation of a website for the national strategy, as done in a majority of countries (see also Table 5.2).

The institution(s) leading the national strategy usually develops a dedicated public website to disseminate information and provide educational resources to the general population. In some cases (as in Australia, Japan, the Netherlands, New Zealand, Singapore, Spain, Portugal and the United Kingdom), these portals have become important references in their countries for the provision of financial information and tools. Most of these websites are interactive and adapted to various target audiences. Some of them also provide detailed guidance on personal finance issues adapted to users' needs according to different subgroups.

National strategy websites typically include resources based on a life-stages approach, or centred on the offer of financial products available in the market. Increasingly, these websites also offer sophisticated tools to assist individuals and families in managing their finances. These tools range from budget planning resources to calculators for credit card debt, mortgage repayments or pension entitlements.

In some cases, these websites also act as a repository of information on comparable financial products offered by national financial institutions, allowing a quick and reliable comparison among different providers and product

ranges. This is for example the case in Mexico, where the National Commission for the Protection and Defence of the Financial Consumer (CONDUSEF) launched, in July of 2014, the Bureau of Financial Entities (www.buro.gob.mx). The Bureau is a website that provides information about the different financial products available in the market (savings, credit, insurance policies, saving for retirement products, etc.), evaluates the products and indicates whether the financial entity has a financial education programme. This website also contains information on every institution that is part of the Mexican Financial System, including the number of complaints presented by the consumers, sanctions applied to financial entities which breach Mexican regulations, abusive clauses identified in contracts, unhealthy practices and other information that can help consumers in their everyday operations.

Creating a brand

Countries have benefitted from the creation of strategy names in the format of a “consumer brand” as well as logos for their national strategies that could be easily identified by the public. This has proven useful in a number of ways. First, having a strong market presence as an independent source is essential given the broad array of private sector websites capturing consumers attention (see also Box 5 “Spending on financial education vs. financial marketing” in Chapter III). Consequently establishing a website maintained by a public institution as a reference in independent advice and resources has been identified as essential. Second, the creation of a consumer brand linked to financial education makes it easier to advertise the existence of resources and to standardise awareness campaigns around a single access point.

Box 5.1 Creating consumer brands to enhance engagement

The four financial regulators and the Education Bureau joining forces through a common brand and outreach strategy in Hong Kong, China

Since its establishment as a new organisation in 2012, the Investor Education Centre (IEC) has sought to raise public awareness of its holistic education efforts to provide comprehensive, credible and impartial source of financial information, tools and resources; as well as its role as the focal point for financial education in the territory. To do this, a number of mass media education campaigns, community outreach events and corporate activities were held to inform and engage. To convey the broad scope of the IEC’s financial education work and that the IEC is supported by all financial regulators as a credible and impartial source of financial information and education, the logos of the four regulators are positioned alongside the logo of the IEC as well as the statement “The Investor Education Centre is supported by the financial regulators” in all IEC’s public communications materials, where appropriate and practicable.

As part of a review conducted in 2014 to further enhance the effectiveness and public engagement of IEC’s financial education work, the IEC will pursue additional initiatives with an objective to project an image of a “caring” and “credible” life coach to provide support and encouragement to help citizens with their financial learning and actions. The IEC will in particular develop a new consumer brand that increases public awareness of and involvement in financial literacy throughout citizen’s lives as well as appeals to their emotional and practical needs on personal finance. The new consumer brand will become the principal platform for all IEC’s financial education initiatives and communications.

The “Sorted” brand in New Zealand

The centralisation of information can also take place through a brand that is not explicitly linked to the institution leading the national strategy, as in New Zealand. In 2005 the (newly renamed) Commission for Financial Capability created the “Sorted” website (www.sorted.org.nz). The Sorted brand has been used by the Commission to frame its message in mass communications campaigns that have been evaluated and proven very effective. These campaigns were centred on three key messages associated with the three steps in getting individuals’ financial lives sorted: Think (ahead); Shrink (your debt); and Grow (your savings).

An evaluation conducted by the Commission in the context of the monitoring of its marketing and communication activities revealed that total awareness of Sorted was 84% (Marketing Monitor) and that among these, the percentage of people taking action as a result of the campaign on shrink debt was 41%; this increased to 50% when adding other Sorted marketing and communication activities. The Commission continues to be involved in the development and delivery of community engagement programmes, and mass reach via communication channels such as Sorted.

The design of different brands to target different audiences in Peru

The Superintendence of Banking, Insurance and Private Pension Funds (SBS) has created 2 brands and several characters for its financial education interventions. A first brand is specifically designed to address the school system, including students, their parents, and teachers, *Finanzas en el Cole* (Finance in school). A second one, *Finanzas para Ti* (Finance for you) provides a common branding for financial education programmes targeting young people, adults and elderly people. The SBS has also designed a specific character, *Torito*: it is a special kind of bull representative of the folklore and culture of the Southern part of the country and with its family they are very appreciated by pupils. This

character teaches children about saving and budgeting, and explains them how to achieve their short and long term savings goal.

A consumer-friendly website for South Africa

In South Africa the Financial Services Board (FSB) launched in 2013 its consumer education website (www.mylifemymoney.co.za). Though the website is hosted by the FSB, it was decided that the branding of the website should be separate from that of the regulator and be more consumer driven and more consumer friendly. This has contributed to its increased exposure in print media, radio, television and face-to-face initiatives. The website supports the national strategy as it not only houses the strategy on-line but also provides content to consumers in a life-stage approach which is in line with the strategy. The website also provides a separate portal for stakeholders to access information and to upload initiatives they or their industry members are undertaking.

Awareness and communication campaigns using multi-channel delivery

Several national strategies include in their roadmaps mass communication campaigns, which can be general or focus on selected issues and/or target groups. The campaigns to inform the population of the onset of a national effort to support financial consumers by public authorities fall within the first category. These campaigns are intended as a tool to raise awareness of the existence of the national strategy itself, as well as on the importance of financial education for individual well-being (sometimes coinciding with international co-ordinated initiatives, such as the Global Money Week and the European Money Week). This is notably the case in Australia, India, and Indonesia. These campaigns can also take place as part of the implementation roadmap of the national strategy, as in the Netherlands, and be centred on one or more life events, or key simple messages (as in Singapore and in the above example of New Zealand).

Communication can also use mass media in more sophisticated or innovative ways, such as edutainment. This can also include embedding financial literacy messages within soap operas aired on public television, as in South Africa's "Scandal" series, which included messages and examples around over-indebtedness (Berg and Zia, 2013). Always in South Africa, the Financial Services Board together with the South African Insurance Association are currently developing 26, three-minute edutainment snippets for television entitled "Next of Next Week" (a commonly used slang-term which refers to procrastination): these will be aired on a free-to-air national channel before a major soap opera and will have two of South Africa's leading comedians address money management issues. Radios can offer another powerful tool to deliver financial education, particularly in hard-to-reach geographical areas where radio is a more available mass communication medium. For instance, in Peru, the Superintendence of Banking, Insurance and Private Pension Funds (SBS) together with the Ministry of Agriculture has targeted more than 1.8 million residents in rural communities by using messages aired on local rural radio stations; in Colombia the national insurers association has conducted similar programmes aimed at radio listeners in three main cities of the country (Universidad de los Andes/Fasecolda, 2014).

Accounting for timing and location and harnessing existing learning environments and networks to foster outreach

Choosing the right timing

The programmes within the national strategy can exploit potential teachable moments, such as by adopting a life-cycle approach or by reacting to events impacting the lives of individuals. Indeed a life-cycle approach to financial education is increasingly chosen by many national strategies for financial education.

This approach recognises that financial education can be more powerful when provided at critical points in the lives of individuals, in order to seize "teachable moments". The teachable moments harnessed by life-cycle approaches may vary according to specific national circumstances but are typically linked to key steps in the personal and financial lives of individuals and households such as independent living, marriage, buying a home, the birth of a child, or pre-retirement. Life events and transitions have important effects on the financial situation of individuals and their financial education needs, both in the context of planned events such as getting married and unforeseen ones such as losing a job. These events often require individuals to acquire new financial skills, and change the environmental factors people navigate through. Making the most of these moments calls for the development of tailored resources, and for their provision at the right point in time in the lives of individuals.

Appropriate learning environments

Effective and successful delivery often uses environments conducive to learning, such as schools (see section at the end of this chapter) and the workplace (see Box. 7 below). In the case of workplace education, the institution in charge of the national strategy may provide financial education programmes targeting selected sectors of the economy, or selected workers based on their age and saving needs.

Using trusted intermediaries and networks and training to foster outreach

For the programmes in which the human resource component has a direct interaction with the target audience, such as in workshops or classrooms, the national strategy should promote the proper education and competence of the educators. Trainers and intermediaries should have, or be trained to have, expertise on the subject and on the pedagogic elements of the programme, as well as soft skills such as good communication.

Some effective financial education programmes also make use of existing networks of intermediaries that can deliver financial education and act as a trusted source. Communications directed towards a specific target group may benefit from conveying information and education through trusted and known sources, and by identifying for each of the target audiences of the national strategies also a group of programme deliverers that is most suited to that group. This is particularly the case for more vulnerable or excluded groups that have fewer opportunities to come into contact with the primary national strategy stakeholders. This approach can also be helpful when discussing culturally sensitive issues such as funeral expenses (see the case study of South Africa below) or specific, specialised topics such as retirement savings. This can be done by partnering with established not-for-profit institutions or by creating specific partnerships with the public sector: in Peru, for example, the Superintendence of Banking, Insurance and Private Pension Funds (SBS) partners with the Ministry of Agriculture to outreach to the rural population on personal finance and insurance culture and with the Ministry of Labour in the programme “Youth to work” (*Jóvenes a la obra*) to reach young people and teach personal finance. In addition, the influence and natural audience enjoyed by journalists can be used to spread financial education messages (see case study of Turkey below).

Financial education programmes can also create ad hoc networks of intermediaries. In this respect, the development of programmes to “train the trainers” and the provision of specific information material and tools for these trainers should be encouraged, and ideally identified as a priority in the strategy’s roadmap. Networks can also be developed by creating and nurturing a pool of dedicated volunteers and advocates.

Box 5.2 Financial education programmes in the workplace

The workplace is an ideal setting to offer financial education and help employees to make an effective use of their financial resources. Financial education delivered in the workplace typically focuses in particular on retirement planning and investing, in the context of personal financial management. This is typically the case in economies where individuals are more responsible for their own retirement planning, based on factors such as the level of state-benefit in retirement, the role of defined contribution (DC) schemes and the rules surrounding annuities.

There are advantages in delivering financial education in the workplace (Atkinson et al, 2015 forthcoming). By making education readily accessible at work, time participation does not require employees to give up their leisure time or actively and independently seek appropriate courses. It may also be possible to make the education compulsory for all employees, or a subset who are seen to be most likely to benefit (such as pre-retirees). Furthermore, workplace education has been shown to be an effective way of changing behaviour. Evaluation conducted on such programmes, as well as research conducted by the OECD/INFE Secretariat on the topic of financial education for long-term savings and investments shows that workplace education programmes have led to an increase in enrolment and/or contribution into pension schemes. In one study the effect was shown to reach both participants and their co-workers. Research also indicates that workplace financial education is seen as a benefit by employees, which may increase motivation and retention.

National strategy roadmaps can include references to the importance of financial education provided in such settings, and in some cases also provide explicit guidance on the modalities through which this should be conducted.

In the **United States**, the President’s Advisory Council on Financial Capability has recommended a strategic framework to guide employers providing financial education in the workplace (President’s Advisory Council on Financial Capability, 2012). This framework recognises that employers are increasingly providing financial education and recommends the inclusion of five fundamentals for workplace financial literacy programmes, with specific guidance based on the size of the employer. These fundamentals are the provision of access to employer-sponsored savings vehicles, the delivery of financial education from a trusted source, the need to encourage employees to take advantage

of these tools and education, the need for employers to identify goals and key metrics to monitor the programmes' provision, and finally the need to facilitate employees' relationship with financial services providers.

In **Australia**, the National Financial Literacy Strategy 2014-17 (ASIC, 2014) indicates encouraging more workplaces to offer structured financial literacy programmes free-of-charge to employees as a key priority. The aim of these programmes should be the achievement of greater engagement with financial decision-making on issues like superannuation and planning for retirement. Employers that are leading the way in developing workplace-based financial literacy programmes at the national level have also received recognition in the form of outstanding achievement awards by Financial Literacy Australia, a not-for-profit organisation established by members of the Australian Government Financial Literacy Board.

In **New Zealand**, the national strategy roadmap (Commission for Financial Capability, 2014) makes explicit reference to workplace programmes as part of the activity stream "learn", and identifies them as a key component of lifelong learning. Workplace education also features as part of the activity stream "plan", which has among its objectives to work with employer groups to introduce and extend financial education in the workplace. The Financial Capability Commission supports its piloting and development.

As part of the national strategy implementation, the Commission has therefore both encouraged the delivery of financial literacy programmes and developed its own programme, the Sorted Workplace Programme. This course consists of ten two-to-three-hours workshops run by an external facilitator over nine weeks and covering budgeting, managing debt, goals, saving, retirement planning, investments, KiwiSaver, buying a house, insurance and wills. An additional session is held as a family day on a weekend, to include the wider household in the programme. An evaluation of the programmes (Malatest International, 2014) showed that participants have improved in the key aspects of the course, notably with respect to savings behaviour and retirement planning. Employers also reported significant and sustained improvements in the work satisfaction and general capability and confidence of staff in the work place, which has translated to improved productivity.

Successful financial education programmes also include financial education provision in broader social and community activities, especially when targeting hard-to-reach groups, or as part of social policy interventions. Programmes can be embedded in the package of social services provided to recent immigrants, as done by the Australian Securities and Investments Commission (ASIC); they can also be given to its own citizens that have emigrated to other countries, as done by the Ministry of Foreign Affairs in Mexico, through its Institute for Mexicans Abroad (see Box5.3). Financial education can also be provided in the context of conditional cash transfer programmes: the Colombian programme *Familias en Accion* has piloted a financial education component as part of a wider intervention for poorer households. In Brazil, a horizontal financial education programme is planned under the national strategy with the goal of targeting poor households recipient of the conditional cash transfer *Bolsa Familia*. The Central Bank is already developing a financial education programme with the same target audience (see case study below).

Supporting individual engagement, motivation and decision-making

Effective financial education programmes focus on the development of attitudes and skills and not simply on the provision of knowledge. This can be achieved by building on financial competencies early in life (notably through the introduction of financial education in schools and/or targeting young people), or by harnessing peer pressure and the community effect, as in the case of programmes aimed at indigenous communities and cultural minorities. The community effect is harnessed in particular when financial education programmes involve respected community leaders in order to convince target audiences of the importance of the financial education intervention.

When targeting homogenous groups, evidence has showed that role modelling of desirable behaviours and peer-to-peer transmission of financial education can play a role in improving behavioural outcomes and have spillover effects even on those who do not take up financial education. Programmes aimed at changing behaviours among hard-to-reach target groups or the financially excluded have also introduced the use of monetary incentives. The pilot programme for the introduction of a financial education component in the programme *Familias en Accion* in Colombia for example has trialled the use of a monetary incentive for the promotion of a savings habit.

Financial education programmes have also begun exploring new avenues to change the behaviours of target groups. These innovative approaches are often based on the findings of social marketing research and the use of interactive methods, such as games, competitions, visualization and storytelling. Storytelling has proven useful as narratives allow individuals to learn from vicarious experience, this can prove particularly effective when dealing with the less literate.

Embedding financial education in games and competitions is also increasingly adopted when targeting young people. In Portugal, the National Council of Financial Supervisors, in partnership with the Ministry of Education and

Science, organise each year a national competition for schools, rewarding the best financial education projects for each stage of education; in Turkey, the Ministry of Education provides financial education in the context of art classes (see case studies below).

Finally, social media and mobile technologies have recently provided additional ways to deliver key components of national strategies for financial education. This takes place both through an online presence on networking media such as Facebook and Twitter, as well as through the development of mobile applications that can focus on specific policy areas of the national strategy (such as the mobile application on pension savings developed by CONSAR in Mexico, or a web page designed by CONDUSEF to serve Mexicans abroad, which provides specific information about financial entities in Mexico including their compliance).

Box 5.3 Addressing the needs of vulnerable target groups through specifically designed initiatives

National strategies for financial education often identify specific target groups, based on evidence gathered through measurement surveys, through the assessments of their vulnerabilities, or because providing them with financial education complements wider policy agendas of the government.

a) Migrants

Recognising the importance of remittances flows and the vulnerability of migrants, some home and host countries have implemented programmes to support migrant workers and their families and improve their financial literacy (Atkinson and Messy, 2015). A number of public authorities implementing a national strategy have designed specific pedagogic materials for this audience, and provide financial education at teachable moments or as part of wider packages of social interventions aimed at this vulnerable group.

In **India**, financial education elements have been introduced in the pre-departure orientation course for all migrants, as well as in an entrepreneurship promotion programme designed to stimulate investment in India for migrants returning from the Gulf countries. Moreover, the Ministry of Overseas Indian Affairs (MOIA) has introduced a special social security scheme named “*Mahatma Gandhi Pravasi Suraksha Yojana*” for overseas Indian workers. This scheme helps them to save for their pension through NPS-Lite (National Pension Scheme), to save for their return and resettlement, and to obtain life insurance cover free of charge.

In **Indonesia**, Bank Indonesia has developed modules for migrant workers and conducted them in Indonesia and in host countries. These were developed with the inclusion of train the trainers components, in collaboration with the Ministry of Manpower, the Financial Markets Authority (OJK), and the National Agency for the Placement and Protection of Indonesian Migrant Workers (BNP2TKI) and supported by the World Bank, the International Labour Organisation (ILO), NGOs (TIFA Foundation), and the banking sector. The programme covers migration targets, financial budgeting, financial products, and banking services industry.

In **Mexico**, the government provides financial education to Mexican migrants in the United States, as part of interventions addressing also health care, education, workforce development, English language acquisition and leadership. The Ministry of Foreign Affairs in Mexico, through the Institute for Mexicans Abroad (IME) organises financial education weeks in its consulates in the United States and Canada, targeting Mexican Immigrants. The Financial Education Week in 2015 reached almost 100000 people. Furthermore, Mexico launched a Financial Education Window in its Consulate in New York City on May 2014, which operates with non-for-profit funding and provides integral information and advisory and has served over 23000 Mexicans. The Government of Mexico has plans to expand this model to other 10 Consulates in the US by 2016.

In the **Philippines**, the central bank (BSP) includes the migrant population among the priority target groups of its financial education policies. The Financial Learning Campaign for Overseas Filipinos is part of the central bank’s drive to promote a culture of saving among migrants and their families and to spur the channelling of these savings into productive investments at home. The programme targets both migrant workers and their families. The campaign uses a variety of delivery channels: video, public speakers and discussions to prepare staff and sessions for partner agencies. In addition, The Philippine Overseas Workers Welfare Administration (a government agency attached to the Department of Labour and Employment) provides an eight hour pre-departure orientation seminar to migrant workers, and a reintegration programme to returning workers, which include financial literacy.

Migrants are also targeted as vulnerable groups in some host countries, with programmes being implemented as part of the national strategy in Australia and the United States, for example.

b) Women

Gender differences in financial literacy pose challenges to improving women’s financial well-being, and this is often acknowledged by public authorities implementing national strategies for financial education (OECD, 2013).

Women display on average lower financial knowledge than men and are also less confident in their financial knowledge and skills. Even though they appear to be better than men in some areas of short-term money management

behaviour, they have a number of vulnerabilities in other aspects of financial behaviour: women are more likely to experience difficulties in making ends meet, in saving, and in choosing financial products appropriately. As a consequence, various governments and other stakeholders have addressed these challenges by developing financial education policies and programmes for women and girls. Accordingly, some national strategies specifically include women among the priority target audiences. This is the case in Australia, Brazil, Egypt, Indonesia, Israel, Lebanon, Mexico, Pakistan, South Africa and Turkey.

Countries address the specific needs of women by further segmenting this audience on the basis of age (young or elderly women), income levels and integration into society, professional activity (such as female entrepreneurs). This permits a better definition of programme content, and allows public authorities to define specific content to improve women's financial strategy. These programmes seek especially to increase women's financial inclusion, improve their use of formal saving products, support them in planning for retirement, and help them avoid over-indebtedness. Effective programme design that takes into account the financial literacy needs of women, and that develops appropriate resources and delivery methods, has been shown to lead to behavioural change.

In **Colombia**, in 2007 the Presidential Agency for Social Action and International Cooperation launched the programme "*Mujeres Ahorradoras en Acción*" (MAA) (Women as active savers), to encourage the use of formal saving products by women. Based on the results of the Colombian Report presented to the UN Committee on the Elimination of Discrimination against Women (CEDAW), the Colombian authorities decided to address the financial needs of low-income women. The MAA programme incorporates both training and support for low income women living in regions affected by high levels of poverty and violence. Its objective is the promotion of women's socio-economic development, the strengthening of their productive activities and the generation of a culture of savings and payment through the formal system. The programme focuses on financial education, as well as business training supported by microcredit lending. Within this programme, women have the opportunity to open a basic saving account in the *Banco Agrario* (a public bank), which provides special benefits to programme participants in order to encourage them to participate and continue saving. The programme has been evaluated, and has proven to be an effective initiative to change the behaviour of the target audience. MAA successfully promoted the use of savings products and reduced the use of informal credit providers from 19.3% in 2007 to 5.3% in 2011.

c) Seniors

Demographic changes determining a sharp increase of the proportion of the elderly population and reforms of retirement benefits systems have called for specific financial education programmes addressing retirees. In some countries, this target groups has become one of the priority actions of the national strategy for financial education.

In **Canada**, the Financial Consumer Agency (FCAC) released Strengthening Seniors' Financial Literacy in October 2014, a strategy responding specifically to the unique financial literacy needs of seniors, based on research and consultation. The research showed that while Canada has one of the lowest rates of seniors living below the poverty line, Canadian seniors are facing higher debt levels and a growing rate of bankruptcy. The number of Canadians 65 and older is growing rapidly, from 15% of the population in 2013 to an estimated 25% by 2036. At the same time, many Canadians do not understand the details of programmes that support seniors. To make appropriate decisions they must understand how government benefits, employer-sponsored pensions, employment income, investments and personal savings all fit into their overall retirement income. Another factor taken into consideration is that Canadians now have more flexibility when they will start to receive government benefits, so they need access to information and tools to understand the implications of their choices. Initiatives are underway to support this learning. The strategy sets out four goals: engage more Canadians in preparing financially for their senior years; help current seniors plan and manage their financial affairs; improve understanding of and access to public benefits for seniors; and increase tools to combat financial abuse of seniors.

Through consultations, the following factors were identified as important considerations: the need to take into account the diversity of the seniors population and the notion that 'one size does not fit all' in terms of how to support people's financial literacy; the importance of early planning and preparation for senior years and of undertaking research to better understand target populations, their needs, and how to best develop effective programmes and communications. Other factors include: the need to simplify documents, processes and financial education materials as well as emphasizing collaboration and sharing to make the most effective use of resources. And finally, the view that financial literacy is not a complete solution and that complementary initiatives in consumer protection and other policy areas could help support the strategy.

Several initiatives are underway to support the strategy. The Canadian Bankers Association has launched "Your Money Seniors," training sessions run by volunteer bankers with consumers and caregivers about fraud, financial abuse and cash management for seniors. This Association is also leading efforts to make available more information about Powers of Attorney and joint deposit accounts for those clients who want to give someone else the authority to do banking for them. This commitment includes staff training. The credit union movement in Canada, under the umbrella organisation Credit Union Central Canada, has released a comprehensive programme aimed at training frontline workers to recognize, review and respond to possible abuse of older adults.

Case studies

The following examples show how effective and successful financial education programmes can take place through a variety of delivery tools (for case studies on the introduction of financial education in schools, please refer to the section at the end of this chapter).

Facilitate access to information and education

The experience of the Central Bank of Brazil is an example of the use of technological tools to target households in condition of extreme poverty, also thanks to the role of respected community leaders, in the context of a nation-wide social programme to fight poverty.

The Netherlands and Turkey are two examples of targeted communication and outreach. The experience of the Netherlands exemplifies a multi-stakeholder approach to implementing a National Strategy for Financial Education in which partners from the business community, government, academia and civil society cooperate in two successful annual national events. The example of Turkey illustrates how the outreach and communication efforts of the public institutions implementing the national strategy can address the general population focusing on national macroeconomic priorities.

Take into account timing and location and harness existing learning environments

The examples of Singapore and the training of journalists in Turkey show successful experiences in which public institutions harness existing networks to increase the effectiveness of their financial education outreach. In Singapore this is achieved by partnering with an established institution that has an expertise in conducting continuing education and training for working adults to conduct workplace programmes in the country. In Turkey, journalists are trained by the central bank, given their role of providers of financial information, to obtain effective coverage of financial education topics and reinforce the impact of the national strategy's programmes.

In South Africa, the financial sector regulator partners with a trusted intermediary, the national association of churches, in order to deliver financial education on a very sensitive cultural practice that determines unsustainable levels of over-indebtedness among a specific target group.

Support individual engagement, motivation and decision-making

The case study of Hong Kong, China, shows how institutions are increasingly combining traditional approaches to audience segmentation, based on sociodemographic characteristics and measurement surveys, with new tools that can also be borrowed from other policy areas, such as health, in order to more effectively identify target audiences that are homogenous and will react similarly to a financial education intervention.

In Portugal, the National Council of Financial Supervisors in partnership with the Ministry of Education organises a national competition for schools, with a view to encourage teaching of financial education and raise students' awareness on the importance of financial literacy.

The last example of Turkey shows how elements such as self-esteem of children can be harnessed to support the effectiveness of a financial education programme provided through art lessons.

CASE STUDY: BRAZIL

The use of technology to address the needs of poor household recipients of social programmes

The Citizen Financial Education Project (*Projeto Educação Financeira Cidadã*) seeks to promote the financial education of young people and adults in poverty and extreme poverty thanks to the use of technological resources.

The project is the result of a strategic partnership among the Central Bank of Brazil (BCB), which coordinates and is responsible for the project, the Brazilian Network of Community Banks (civil society organisations hired by financial institutions as non-banking agents for their respective communities), *Fundación Capital*, and the University of Bahia within its Solidarity Economy and Territorial Development department (ITES/UFBA).

The project is expected to reach 5000 families within ten Brazilian low-income communities. These ten communities have been chosen among those targeted in the context of the Unified Database of Social Programmes of the Brazilian Federal Government (*Cadastro Único de Programas Sociais do Governo Federal*), that comprises initiatives such as the conditional fund transfer programme Bolsa Família.

The programme is delivered through tablet computers that have been previously loaded exclusively with self-instructional financial education content. Such content focuses on asset accumulation and savings within the communities supported by community banks. The programme comprises five modules: “ABC of Economy”, which includes tips on savings; “I take good care of my money”, which emphasizes the importance of family and personal budgeting; “My bank”, covering financial and non-financial banking products and services; “I want to practice”, with simulations of ATM operations; and, finally, “*Bolsa-Família*”, with information on the functioning of the conditional cash transfer programme. The modules provide basic notions of financial literacy and have been designed taking into account behavioural elements. The contents include, for example, guidance on the consumption of financial products and services, basic information on the functioning of credit unions, the management of personal finance, and, especially, access to credit.

The implementation of this intervention involves the circulation of the tablets among the targeted families, a process that is coordinated by local agents recruited by ITES/UFBA. Among the criteria used for selection, it is important to highlight that local agents must either be community leaders or members of community institutions that already promote social work, because it is fundamental that local agents be well respected within their communities. In addition to promoting the distribution and circulation of the tablets, local agents collect quantitative evidence for the evaluation phase of the project.

Evaluation

From its design phase the project includes an impact assessment conducted through a randomised controlled trial. The families have been divided into two groups: a control group and a treatment group. Individuals from the control group are not exposed to the financial education intervention through the tablet and only participate directly in the evaluation by responding to a questionnaire administered by the local agents. On the other hand, individuals from the treatment group receive financial education through the tablet and also respond to the questionnaire. The quantitative questionnaire aims to assess financial behaviour, knowledge and attitudes. To ensure that the two groups are representative of the sample, they were randomly selected from the Single Registry of Social Programmes of the Federal Government.

This impact evaluation, led by the central bank, aims to verify what kind of changes will have taken place among the treatment group as a result of the intervention. It also aims to understand more thoroughly how the target population relates to financial issues.

The impact evaluation has been designed to assess, in particular, the families’ understanding of financial products and services, and how they deal with financial products and services on a daily basis. In addition, the evaluation also seeks to provide a better understanding of supply-side factors, especially whether there is a need for products and services that better suit the needs of families in conditions of poverty or extreme poverty.

Financial Citizenship

The research involved in CFEP is also very important for the central bank in order to better understand the impact of its financial inclusion policies and programmes. The Citizen Financial Education Project is part of the Financial Citizenship Programme of the Central Bank, which seeks to contribute, through appropriate financial inclusion, to the efficiency of the national financial system and to the maintenance of Brazil’s economic stability.

The national strategy's stakeholders joining forces to target students and to foster pension awareness

National Money Week

The National Money Week for primary school children brings together a high concentration of initiatives for lessons about dealing with money. During the week, a large number of schools, businesses, NGOs, broadcasting companies and public authorities offer a programme of activities for children, such as guest lessons in schools, museum visits, theatre, teaching programmes, debates, newspapers in the class room and television programmes. The concentration of activities in one week leads to a lot of attention through the media and in schools. An accompanying effect is that the participants of the National Money Week meet and inspire each other, as a result of which further collaboration in the area of teaching financial literacy to children originates. The National Money Week is considered to have had a very positive impact on both children and participating organisations. During the fourth edition of the National Money Week – which took place in 2014 – 37% of all primary schools actively participated.

Pension3day

In the Netherlands, many people lack basic understanding of pension schemes – including their own. They perceive pensions as a complicated topic and they have the tendency to postpone looking at their retirement income. At the same time, responsibility is shifting from government and employers to individuals. Pension funds initiatives, and those developed by the government and employers have proven to be unable to increase pension awareness. In an effort to join forces in this area, the Money Wise Platform organises the *Pension3day*, during which pension funds, employers, government, insurance companies and non-profit organisations stimulate people to look into their pension. In the fourth edition of the *Pension3day* in 2014, more than 250 different organisations throughout the country participated. 67% of 30 to 55-year-olds and 79% of the 55 to 67-year-olds indicated that they heard about pensions in the media during the *Pension3day*. 21% of the 30 to 55-year-olds and 23% of the 55 to 67-year-olds have heard about the *Pension3day*. Some 38% of them took action as a result of this, or intend to take action. Many employers used a pension lunch as an easily accessible way to inform their employees about their own pension. Online tools were also used to give people specific tips that help them improve their pension situation.

A national awareness campaign supporting the country's long-term macroeconomic goals

In 2014, Turkey started the implementation of the National Strategy for Financial Access, Financial Education and Financial Consumer Protection. One characteristic of the National Strategy is its focus on ensuring that financial education and training fit into the country's long-term macroeconomic goals, which includes increasing the domestic savings rate, which has been low for a while. The Strategy bases many of its goals on the findings of a national survey carried out by the World Bank and the Capital Markets Board that found 52 percent of the population look less than six months ahead when they plan their finances. The Strategy covers the years 2014 to 2017 and gives the Capital Markets Board responsibility for monitoring developments in financial literacy through subsequent polling and surveys. Similarly, the Banking Regulation and Supervision Agency, in charge of coordinating the financial consumer protection action plan within the strategy, initiated a financial awareness project in 2013. Under this project, three public spotlights on personal finance and savings, effective credit card management and security issues of banking products and services are designed and aired on TV channels to reach a large base of financial consumers.

The Central Bank of the Republic of Turkey is one of the institutions responsible for two actions of the Strategy and is developing outreach and communication strategies to improve the financial literacy of two key segments: young people and the media.

“Savings Start with the Kurus” Campaign

One of the pilot projects serving the goal of higher savings rates is a campaign focused on the kurus, the lowest-denomination coin. Under the slogan “Savings Start with the Kurus”, this project run by the Central Bank of the Republic of Turkey aims to raise awareness of savings among children aged between eight and 12. Turkey's population is relatively young and the campaign seeks to encourage the habit of saving at an early age through activities designed to promote the importance of the kurus. The campaign is additionally a response to underutilisation of kurus coins in daily transactions. The Central Bank's campaign is an attempt to change public behaviour by encouraging use of the kurus.

The campaign is supported by a range of educational materials and games and was launched in 2013 with two events. Firstly at the International Children's Festival organised by the TRT (Turkish Radio and Television Agency) held on April 14- 24 2013 in İzmir, the CBRT provided attending children with:

- Animated cartoons on savings and kurus;
- The opportunity to buy pouches containing 1 lira in coins (100 kurus);
- A sound and light show to promote the use of money boxes; and
- A present bag containing “Kurus Champion” certificates and other materials.

The CBRT also attended the 2nd Child and Youth Finance International Summit on 7-9 May 2013, presenting:

- Educational material and a range of English-language publications targeted at over-18s
- A workshop with 140 children and 400 participants to elicit views and information on financial education strategies,
- Central Bank money box, bookmarks, pens, erasers, a “Kurus Champion” rosette.

In the scope of the kurus campaign, the CBRT also set up booths in the 1st Financial Literacy and Access Summit on 22 May 2013 and the 5th İzmir Economic Congress on 30 October -1 November 2013.

In 2014, cooperation began with TRT through the public broadcaster's Children's Magazine publication. The monthly magazine now includes a regular cartoon strip aimed at explaining savings, sensible spending and use of the kurus to children aged from eight to 12 through the adventures of the Kurus Family.

Following positive feedback from the 2013 event, the CBRT introduced a pilot version of a computer game based on collecting kurus as well as providing animated cartoons on savings and kurus themes, rosettes, and bookmarks at the 2014 International Children's Festival organised by the TRT held in Gaziantep.

Throughout 2013 and 2014, the CBRT visited 136 primary schools, distributing educational materials, holding classes on the importance of savings, and showing cartoons. The students were also invited to contribute stories about savings and the kurus for evaluation in the later stages of the campaign.

The project to change attitudes toward the kurus and encourage savings at an early age is still continuing. Later phases will include fostering contact among students based on the stories they have written and the development of educational materials aimed at older age groups.

Take into account timing and location and harness existing learning environments

CASE STUDY: TURKEY

Harnessing existing networks to foster outreach

National financial education requires that media coverage of financial matters is conceptually accurate and clearly explained. The media represent a major channel of information. The Turkish National Strategy addresses this through action plans calling for “Education of Media Employees on Required Financial Subjects” with the goal of building capacity to produce effective, accurate and clear coverage of financial topics.

As the responsible body tasked with delivering this goal, the CBRT has set a priority goal of increasing the ability of economics reporters at various media companies to understand CBRT statements and macroeconomic data by providing training on basic economic and central banking concepts, aiming at news reports that are clearer and more easily understood by the public at large.

A total of four one-day training sessions were held in Istanbul and Ankara, attended by approximately 70 reporters from domestic news agencies. The participants were given training in basic economic concepts, structural aspects of Turkish economy, the macroeconomic policy and the financial markets. They were also given practical training in accessing data through official databases and interpreting them. The training will continue with updates and adjustments based on feedback from participants.

CASE STUDY: SINGAPORE

Partnering with a higher education institution to deliver workplace financial education

MoneySENSE is the national financial education programme in Singapore. It is spearheaded by the Financial Education Steering Committee (FESC). The Monetary Authority of Singapore chairs the FESC, which comprises representatives from several public sector agencies and government ministries, including the Ministry of Education, Ministry of Health, Ministry of Manpower, Ministry of Social and Family Development, Central Provident Fund Board, National Library Board and People’s Association.

In 2012, MoneySENSE and Singapore Polytechnic collaborated to form the MoneySENSE-Singapore Polytechnic Institute for Financial Literacy (IFL). Singapore Polytechnic is an Institute of Higher Learning with an established track record in delivering continuing education and training to working adults.

Fully funded by MoneySENSE, the IFL delivers financial education to working adults and works with community organisations to develop and conduct customised programmes for lower income Singaporeans. The IFL utilises different delivery mechanisms such as workplace talks and workshops, as well as e-learning modules. Some of the topics covered by the IFL include:

- Making the Most of Your Money;
- Financial Planning Begins Now;
- Are You Borrowing Too Much?
- Do I Need Every Type of Insurance?
- Building Your Nest Egg;
- Investment and Financial Products.

Since its inception in July 2012, the IFL has conducted over 500 talks and workshops per year, compared to about 20 annually before the IFL was set up.

Singapore Polytechnic’s strong network of practitioners and contacts as well as dedicated team of trainers has allowed MoneySENSE to substantially extend its outreach to the workplace. This reduces the reliance on industry volunteers to deliver training programmes and allows for a more sustainable outreach over time.

📖 CASE STUDY: SOUTH AFRICA

Partnering with a trusted intermediary to reach out to a specific target group on funeral expenses

In South Africa it is a cultural practice specifically among Black South Africans to provide for lavish and expensive funerals. These funerals often leave the bereaved heavily in debt. As a result many South African's having multiple funeral policies to pay for such events.. The FSB has been attempting to address the issue of lavish funerals, funeral policies and the associated costs with limited success. In 2012 a recommendation from Parliament was that the FSB work with the South African Council of Churches (SACC) in the delivery of workshops to members of the religious congregations. The majority of churches with congregants who pay for these types of funerals are affiliates of the SACC, the largest religious body in South Africa.

In 2012 the FSB conducted a pilot with the SACC. This included training SACC facilitators to deliver workshops on behalf of the FSB to congregants of their respective parishes. As the project was a joint initiative with the SACC, congregants were more receptive to the workshops. The success of the initial pilot saw the project rolled out nationally. In 2013-2014 40 national workshops reaching eight of the nine provinces were conducted reaching a total of 1102 congregants. In 2015 a proposal for continuing the project is being considered with the focus now being on pastors in addition to congregants.

Support individual engagement, motivation and decision-making

📖 CASE STUDY: HONG KONG, CHINA

The definition of target audiences based on a model used in public health interventions

In Hong Kong, China, the Investor Education Centre (IEC), established in November 2012 by the four financial regulators, designed the financial education strategy for the territory¹⁴.

The IEC has always adopted an evidence-based approach to the definition of the target audiences of its financial education programmes, based on the results of financial literacy measurement surveys and of public consultations (IEC, 2013). During the revision of the financial education policies in the territory conducted in 2014, the IEC decided to further refine this approach and to use in addition a prioritisation model borrowed from the fields of public health interventions and marketing.

This audience segmentation approach uses psycho-demographic analysis to define target audiences that are internally homogenous (people inside each group will react approximately in the same way to external actions) and externally heterogeneous (they will react differently compared to other discrete groups in society).

The elements considered in the definition of the segments are shown in the table below.

The TARPARE model (Donovan et al, 1999)

T	Total number: it is assumed that the greater the number of people in a segment, the higher its priority
AR	Proportion of At-Risk people within the segment
P	Persuasibility of the segment: the easier it is to change behaviours in a segment, the more likely to achieve behavioural change, and as such the higher its priority
A	Accessibility of the target audience: the easier it is to access a segment via mass communication or dedicated delivery channels, the more likely an effective outcome of public policy intervention
R	Resources required to meet the need of the target audience, in terms of financial, human, and structural resources needed to address the segment and serve its needs
E	Equity : the need to take into consideration social justice and target specific disadvantaged segments. These groups might represent a small proportion of society but might be granted special programmes based on this criterion.

¹⁴ <http://www.hkiec.hk/web/en/about-iec/hksfl/index.html>

The use of this approach, coupled with more traditional methods such as measurement surveys, desk research, and focus groups, has brought the IEC to suggest new target groups and to establish their priority based on a multi-factor weighted scoring system. The new suggested target groups are: formal education system (primary, secondary and tertiary students), working adults (new to employment, pre-retirees), parents with dependents (new-to-be parents; parents with school aged children; single parents; new to Hong Kong parents), and retirees with a retirement fund. It should be noted that IEC resources will be available to all members of the public. The Hong Kong strategy for financial literacy launched in late 2015 highlights audiences not automatically covered in the IEC target group list above.

The TARPARE model is also used to assign a level of priority to these segments, thanks to the definition of priority factors associated to each element of the model:

Elements		Priority factors
T	Total number	Segment size
AR	Proportion of At-Risk people	Needs: gap between ideal and actual level of the financial competences
P	Persuasibility	Willingness to change: tendency of individuals to change their behaviours, levels of engagement of the individuals in the segment Ability to change: ability of individuals to move towards the ideal competency level after intervention
A	Accessibility	Ability of the IEC to reach out to the segment via the key delivery channels
R	Resources	
E	Equity	N.A.
Additional factor		Lack of quality providers for the segment: the lower the penetration, the higher the prioritisation.

The application of these priority factors to the identified segments will allow the IEC to prioritise certain groups, based on their need for public policy intervention.

CASE STUDY: PORTUGAL

A national contest to promote financial education projects in schools

The Portuguese National Plan for Financial Education is led by the National Council of Financial Supervisors, composed of the three financial supervisors – the Central Bank (Banco de Portugal), the Portuguese Securities Market Commission and the Portuguese Insurance and Pension Funds Supervisory Authority – with the contribution of a significant number of stakeholders.

Since 2012, the National Council of Financial Supervisors, in partnership with the Ministry of Education and Science, has organised an annual, national competition for schools, the *Todos Contam* competition. The purpose of this competition is the promotion of financial education projects in schools, covering all stages of education.

The competition is launched before the beginning of the school year and the terms of reference are disseminated to the schools at a national level. The schools apply with the financial education projects to be implemented throughout the school year.

The competition awards five prizes to the best financial education projects to be implemented in schools: one for kindergarten, one for each of the three stages of basic education and one for secondary education.

The schools with the winning projects are announced on the 31st October, at the Financial Literacy Day, a financial education awareness-raising event organised annually by the National Council of Financial Supervisors, in partnership with the stakeholders of the Portuguese National Plan.

The financial education projects submitted to the *Todos Contam* competition must be based on the Core Competencies for Financial Education for Kindergarten, Basic Education and Secondary Education, a document prepared in collaboration between the three financial supervisors and the Ministry of Education and Science, and adopted by this Ministry as the reference for financial education in schools.

On the basis of the Core Competencies for Financial Education, projects submitted to the competition must be

designed to:

- Raise students awareness of the importance of financial literacy on a day-to-day basis;
- Develop financial knowledge and skills among students;
- Promote appropriate financial attitudes and behaviours,
- Promote the creation of savings habits;
- Encourage the use of the contents and resources available on the website of the National Plan of Financial Education – *Todos Contam* website.

The schools' financial education projects must also be in line with the Principles for Financial Education Initiatives. These Principles set out in particular that, in the scope of the National Plan, private financial institutions can only participate in financial education initiatives through the respective sectoral associations.

The assessment of the applications and the selection of the best projects for each level of education is the responsibility of a selection panel. The members of the selection panel consider each application based on all the assessment criteria of the terms of reference of the *Todos Contam* competition:

- Educational quality;
- Scientific quality in the development of subjects in line with the Core Competencies for Financial Education;
- Creativity and relevance;
- Involvement of the academic community;
- Viability and feasibility;
- Use of the *Todos Contam* website.

The five prizes in this competition consist of books and school materials and are awarded according to a two-stage process: half of the prize is granted at the start of the school year, while the other half is only given at end and subject to confirmation by the selection panel that the project goals were met.

To emphasise the commitment of the National Council of Financial Supervisors to disseminate financial education in schools, all the prizes are delivered personally by the heads of the three financial supervisors – the Governor of Banco de Portugal, the Chairman of the Securities Market Commission or the Chairman of the Insurance and Pension Funds Supervisory Authority –, during a visit organised by the financial supervisors and the Ministry of Education and Science to each of the winning schools. During these visits, the heads of the financial supervisors highlight the importance of financial education and respond to questions raised by the students.

Exploiting children's creativity to teach financial education

Financial literacy is integrated into various courses in schools in Turkey, including mathematics, life sciences, social studies, technology and design. One of the initiatives undertaken by the Ministry of National Education is the "Project on Social and Financial Education Through Art", carried out in primary and secondary schools with the financial support of a commercial deposit bank, namely the Turkish Economy Bank, in cooperation with the UNICEF National Committee of Turkey. This project was launched in June 2013 and has had an impact on nearly 12 million children from about 45000 schools.

The objectives of the project include reinforcing the self-esteem of children and youngsters, increase their autonomy, and encourage them to get involved with social and financial processes affecting their own lives and the society they live in. It is also intended to contribute to children's social development as well as their awareness on financial issues. In order to meet these objectives, social and financial literacy issues are discussed in compulsory and elective courses of visual arts and music lessons.

Activities within the scope of the project

- A. Activities in the educational programme
 - 1. The inclusion of social and financial issues in the curriculum development studies on Visual Arts and Music classes;
 - 2. Developing teaching materials for these educational programmes;
 - 3. Organising training programmes for trainers.
- B. Extra-Curricular Activities
 - 1. Developing supplementary teaching materials for elementary students;
 - 2. Implementation of these supplementary materials in selected schools;
 - 3. Dissemination of developed teaching/training materials across the country;
 - 4. Conducting an impact assessment analysis.

Completed activities within the scope of the project

- 1. Primary Education Institutions' (Primary and Secondary schools) Visual Arts Course Curriculum (1-8 Grades) which was prepared within the scope of the project and gradually implemented from the 2014-2015 academic year of 1st and 5th grades.
- 2. Primary Education Institutions' (Secondary Schools and Religious Vocational Secondary Schools) Optional Visual Arts Curriculum (for 5th, 6th, 7th and 8th grades) and gradually implemented from the 2014-2015 academic year of 5th, 6th and 7th grades.
- 3. Within the scope of the project, a five-day training session for trainers was organised in August 2014. Sixteen visual arts teachers were trained along with academics and experts from the General Directorate of Primary Education.
- 4. 3-day-long training sessions were simultaneously provided to teachers from 81 provinces in 10 regions in Turkey by the teacher trainers.

Ongoing studies within the project

- 1. The preparatory studies of the draft curriculum regarding compulsory music lessons in 1st-8th grades and elective music courses in 5th-8th grades classes are about to be completed.
- 2. Studies to develop additional materials for visual arts course are in progress.
- 3. In-service trainings for music course teachers are being planned.

Monitoring and evaluation studies regarding the implementation in schools are in progress.

EVALUATION OF FINANCIAL EDUCATION PROGRAMMES

Monitoring and evaluation of programmes are becoming a more common practice (Atkinson et al, 2015 forthcoming; Garcia et al., 2013; Messy and Monticone, 2012). More national strategies also include evaluation of programmes as an essential component of roadmap and action plans, but there is however still room for improvement. International work on evaluation methodology has supported public authorities and programme developers in this domain particularly through the work of the Russian/World Bank/OECD Trust Fund^[1]; it also encouraged the sharing of evidence, in particular through the platform provided by the OECD/INFE (see Box 9) and the global database of evaluated financial education programmes that is currently being developed.

At the programme level, evaluation evidence is being used to ascertain whether a programme is effective, to ensure that resources are being well spent, and to identify areas for improvement as well as replicable practices. More broadly speaking, evaluation evidence is valuable to the implementation of national strategies as it can be used to inform future funding decisions and to allocate resources across the different programmes. Policy makers and the authorities in charge of the implementation of the national strategy can also use the results of several evaluations to inform the revision of the overall priorities of the strategy and of its main delivery tools.

Policy makers now recognise that reporting is also an important component of monitoring and evaluation. Whilst it is still the case that most evaluation results are not widely disseminated there has been considerable support for the OECD/INFE initiative to create a dedicated evaluation database. Public authorities involved in the implementation of financial education programmes have realised that, thanks to the increasing amount of valuable evidence, the results of evaluation can usefully be disseminated to stakeholders involved in programmes as well as those implementing similar programmes elsewhere. This is a welcome development, as it enhances national and international knowledge on effective practices and promotes accountability and efficiency amongst financial education providers.

^[1] See also the website of the Trust Fund (<https://www.finlitedu.org/>) as well as the OECD web page on evaluation of financial education programmes <http://www.oecd.org/daf/fin/financial-education/evaluatingfinancialeducationprogrammes.htm>.

Box 5.4 Evaluation of financial education programmes: instruments and tools developed by the OECD/INFE

The OECD/INFE has developed significant work in relation to evaluating financial education programmes, including the collection of countries' experiences, challenges, and lessons learnt in evaluating their financial education programmes. Based on this evidence and the lessons learnt, the OECD/INFE has developed policy instruments on the evaluation of financial education programmes, including the INFE High-level Principles on Evaluation of Financial Education Programmes (OECD/INFE, 2012a) and two non-technical OECD/INFE Guides to Evaluation (OECD/INFE 2010a; OECD/INFE 2010b). In 2015, the OECD/INFE has also begun the design of a practical checklist for the evaluation of financial education programmes, as well as the development of a global database of evaluated financial education programmes.

The INFE High-level Principles on Evaluation

The INFE High-level Principles were designed to highlight the importance of evaluation to policy makers, programme developers and to the stakeholders active in financial education:

1. They identify evaluation as an essential component of every financial education programme;
2. They provide guidance on how to set a budget for evaluation and how to reduce costs;
3. They present the role of external evaluators, to add credibility, skills and independence;
4. They stress the need for appropriate evaluation design, aligned with programme's objectives, size and length, target audience, delivery method;
5. They highlight how to attribute change to the programme, and the best ways to infer causal relationship between the programme intervention and the change observed;
6. They finally focus on the importance of reporting data, including the negative findings, to properly inform future programme design.

OECD/INFE Guides to Evaluation

The OECD/INFE has also developed two practical guides to evaluating financial education programmes designed to help project managers, educators and stakeholders in monitoring and evaluating their financial education programmes and choosing the best evaluation methods (one provides an overview, whilst the other is more detailed). The guides address practical needs and suggest ways to choose and conduct the most appropriate evaluation based on the programme features and the evaluators' needs, identifying benefits and limitations of a number of evaluation/research methods.

The Checklist for the Evaluation of Financial Education Programmes

The OECD/INFE is also developing a checklist that is aimed at offering a 'self-assessment' tool for policy makers and other organisations involved in the development and/or monitoring/evaluation of financial education programmes. It is intended to be used at the beginning of programme design and development and again at key points throughout the delivery process. The Checklist covers both monitoring and evaluation.

Case studies

The following case studies show how programme evaluation can provide results that go beyond the effectiveness and functioning of a specific delivery channel. In the case of Malaysia, the evaluation of a programme addressing personal debt management has helped public authorities understand the effects of an intervention on different aspects of financial literacy, namely knowledge, attitudes and behaviours. In Spain, the evaluation of the national pilot programme of financial education in the formal school curriculum has allowed testing the effectiveness of the pedagogical materials developed as well as measuring the effects on the financial literacy of students. It also served to foster dialogue and cooperation among teachers and national/regional authorities, and has confirmed the importance of financial education in schools for the Spanish national strategy.

CASE STUDY: MALAYSIA

A programme evaluation providing insights into levels of knowledge and behavioural change

Pengurusan Wang Ringgit Anda (POWER!) programme is a financial capability programme developed by Bank Negara Malaysia (BNM) and its subsidiary, the Credit Counselling and Debt Management Agency (AKPK), targeted at young individuals and first-time borrowers aged 18-30 years.

Introduced in January 2011, it provides participants with skills and knowledge to achieve their financial goals, and protect themselves from over-indebtedness through better borrowing decisions. The programme focuses on empowering participants on financial management as well as practicing prudent debt acquisition.

The programme covers six main areas: Cash flow management, basics of loans, credit card usage, buying a car, buying a house and the importance of debt management.

The programme has attracted about 300,000 consumers to-date delivered mainly via face-to-face sessions as well as through an online programme.

Evaluation

Pre- and post-assessment for the programme indicated an increase of 12% in the level of knowledge and skills. There is also a plan to continuously assess the impact of POWER! programme over a longer term period. An online impact evaluation was conducted in May-June 2013 by BNM in collaboration with a local university, *Universiti Putra Malaysia* (UPM). The evaluation involved analysis of the financial literacy of 677 adult consumers who have attended the POWER! programme (treated group) against a control group with 641 respondents who have not attended the programme. The respondents for the treated group are chosen among participants who attended the POWER! programme six month (or more) prior to participating in the evaluation, in order to assess the impact of the programme over a longer term period.

The evaluation variables were categorised into 3 domains:

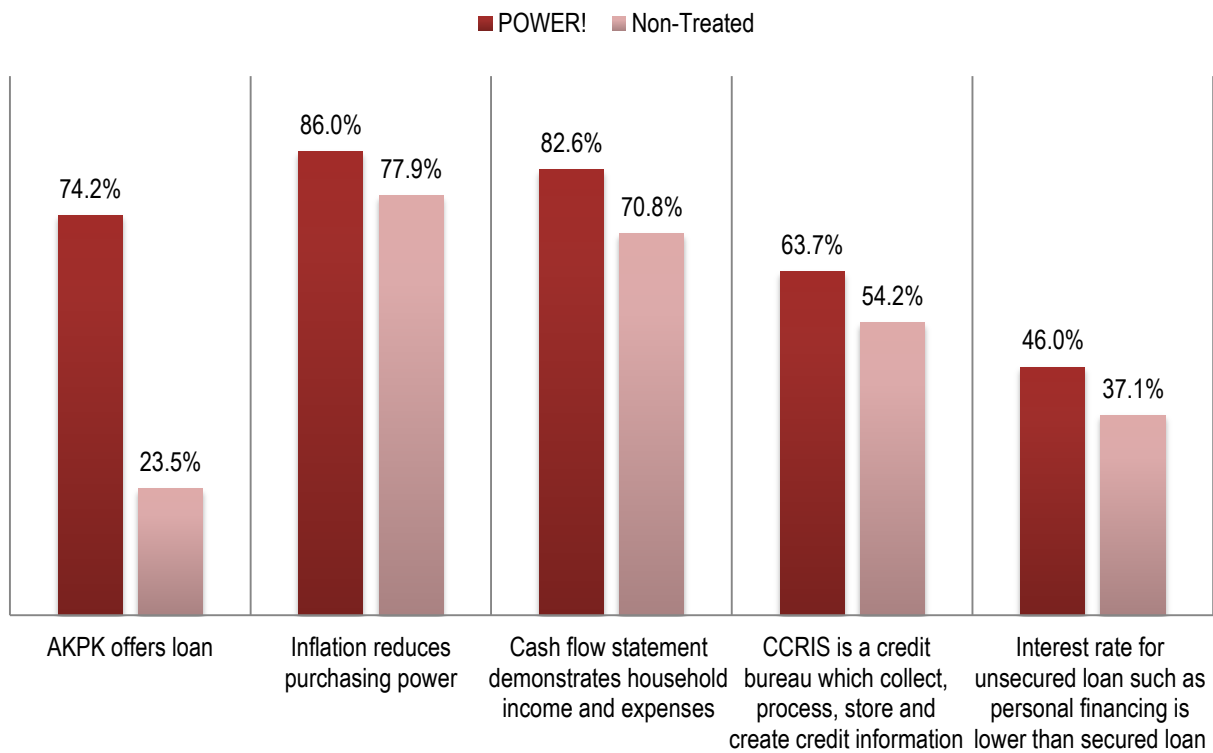
- Knowledge, which measures consumers' information related to personal finance;
- Attitude, which measures consumers' perception towards personal finance; and
- Behaviour, which measures consumers' financial capability (habits and actions).

Key findings

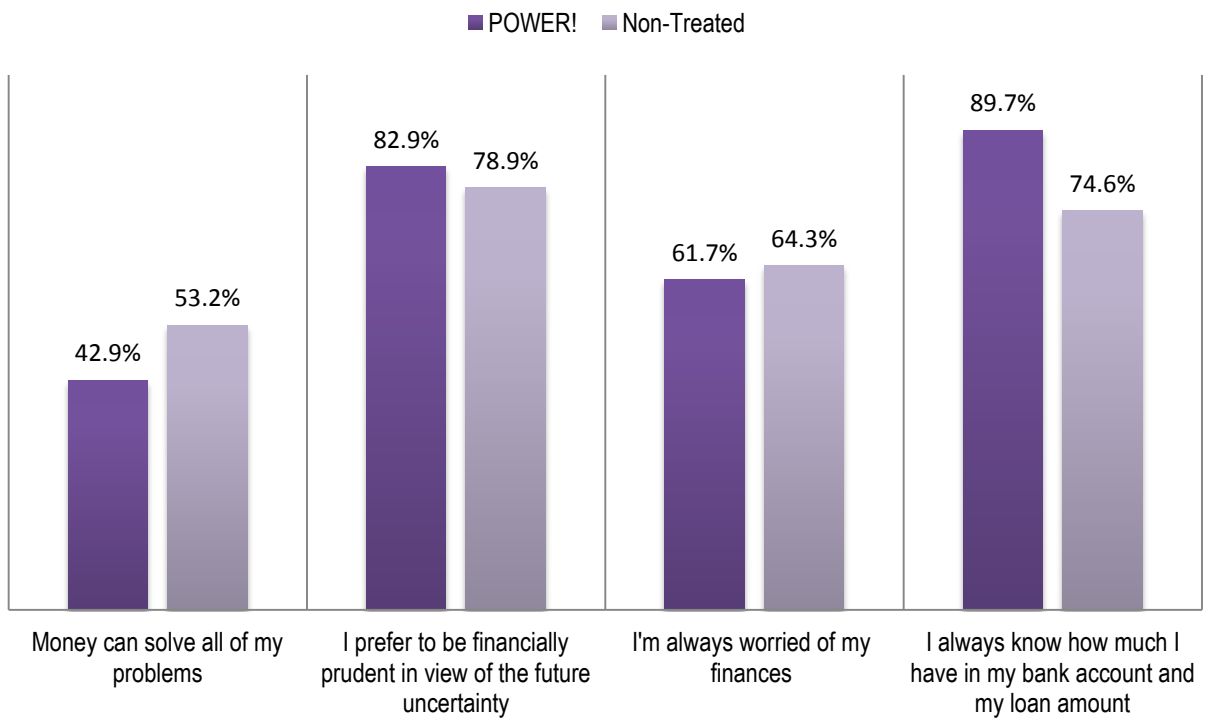
The evaluation also allowed Malaysian authorities to gather useful insights on the programme's impact on the financial literacy of participants (see also the graphs):

- POWER! participants demonstrated higher levels of financial knowledge
- Mixed results were observed for financial attitudes
- There were no clear behavioural differences between the two groups

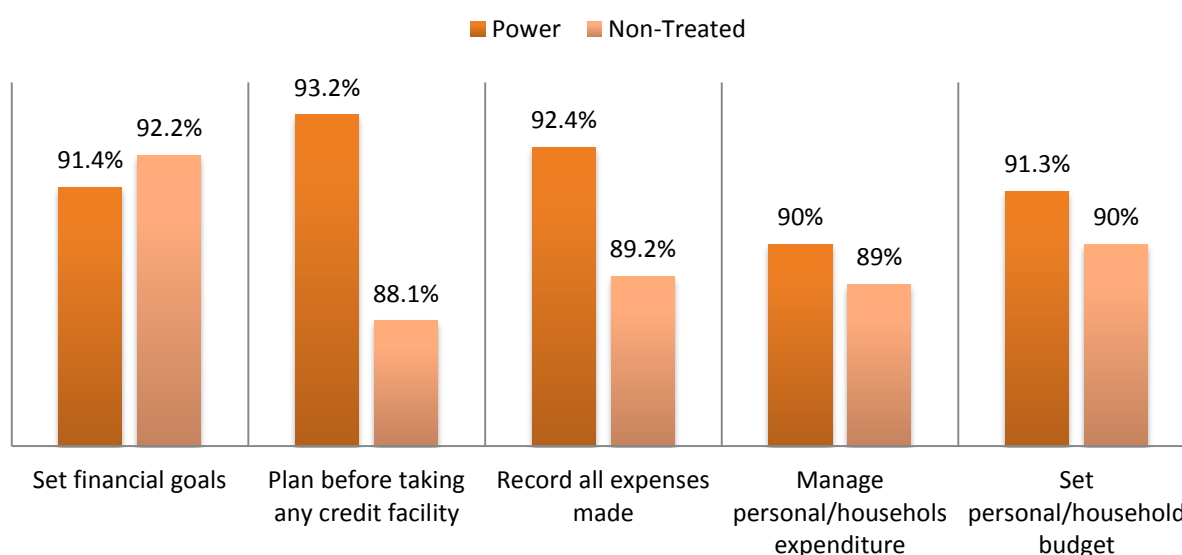
Higher financial knowledge



Mixed observation for financial attitude



Modest improvement in behaviour



In addition, the evaluation made it possible to obtain further understanding of participants' behaviours. While POWER! participants tend to view money as a means to an end, which is a desirable attitude, they have not demonstrated much difference in improvement of behaviour related to financial management.

Improvement to the programme

Based on the findings from the impact evaluation, BNM and AKPK have enhanced the POWER! Programme with refinements to contents, delivery and overall approach. The programme enhancement aims to ensure that the modules continue to be relevant and effective in meeting the needs of its target group of consumers in various life events and life stages, and in addressing pertinent and key vulnerable areas. The revised programmes have since been rolled out to other target groups such as workers and lower-income groups.

📖 CASE STUDY: SPAIN

The evaluation of the programme for financial education in schools

The financial education programme in schools is one of the pillars of the Spanish national strategy for financial education and was included in the Financial Education Plan (2008-2012 edition). After implementing a first pilot programme during the school year 2010-2011, an evaluation was carried out to assess the impact of the programme and to learn from the first experience in order to inform the future roll-out of the programme (see also Hospido et al, 2015). The positive results contributed to the decision to continue implementing the programme and to broaden its scope. A second and more in depth evaluation was implemented in the course 2012-2013. Once again, the results justified the decision to continue with the programme.

This experience has demonstrated the importance of evaluating programmes within the national strategy, and consequently the second phase of the Financial Education Plan (2013-2017) (Bank of Spain and CNMV, 2012) strengthens the role of programme evaluations in order to assess the quality of the activities developed. In this context, a new evaluation was designed to test 4th year of secondary education pupils during the course 2014-2015. New schools participating in the programme are being selected to identify a control group, which will be tested before and after receiving financial education materials and a treatment group that will be tested after participating in the programme.

2010-2011 course: 32 schools and 2700 pupils involved

The evaluation was carried out by an independent expert in order to assess (i) possible improvements in the financial literacy levels of pupils, attitude and belief changes in respect of financial issues, and interest in and

usefulness of the teaching materials used, and (ii) suitability of the training received by the teaching staff and the usefulness, appropriateness, and ease of use of the materials and resources available, among other aspects. The results of the assessment were encouraging, especially in terms of the positive acceptance of the programme and the favourable attitude of the pupils towards it. There was also evidence that the technical knowledge of the pupils had increased after completing the course.

The pupils considered that the subject was very useful in terms of their day-to-day life and their understanding of the environment they were living in. A positive change was identified regarding their attitudes and beliefs about financial issues. The teaching materials used were considered to be appropriate by both pupils and teaching staff, and the contents of the educational portal www.gepeese.es were considered to be particularly useful. It should be noted that both the teachers and those responsible for the implementation of the programme in the regional governments were in favour of including financial education in the school curriculum.

2012-2013 course: 452 schools and more than 43000 pupils involved

A survey following the methodology recommended by the OECD was introduced to track progress of financial literacy as well as to evaluate the quality of materials provided. The results of this evaluation show that:

- The financial literacy of pupils increased after completing the programme. Comparing the scores, the treatment group performed better than the control group.
- 88% of the teachers believed that the programme should be part of the compulsory curriculum.
- 90% of teachers involved in the programme thought that financial education contents must be included in the school curriculum.
- 42.8% of the teachers believed that the programme should be introduced in a cross-curricular fashion.
- 47% of the teachers considered that a higher number of hours should be devoted to the programme as they didn't have enough time to complete it.
- Materials and resources available were positively evaluated- average higher than 7 out of 10.
- Teachers considered that the programme should be better adapted to the present financial situation the country faces.
- Motivation of the students in some cases was low, because the evaluation of the contents did not affect the final student's grades at school.
- The global evaluation of the programme by teachers was high: between 7-8 out of 10.

The results of the evaluation are very encouraging but are not conclusive with respect to the best way to integrate financial education into the official school curriculum: as a stand-alone subject or into existing subjects such as mathematics, social science or citizenship. This will call for further evaluation of the next waves of programme implementation.

FINANCIAL EDUCATION FOR YOUTH AND THE ROLE OF SCHOOLS

Young people are the primary target group in the majority of national strategies. This is attributable to the advantages provided by reaching out to an entire generation before adulthood as well as on the potential positive spill-over effects on parents as well as the community (OECD, 2014a). Moreover, nurturing more sound financial culture and behaviours is easier in an environment conducive to learning, such as schools, and among young people.

Evidence from the PISA Financial Literacy Option

The PISA Financial Literacy Option conducted in 2012 (OECD, 2014b) provided for the first time an internationally comparable assessment of the financial literacy levels of students globally. The assessment was conducted in 18 participating countries and economies including 13 OECD members: Australia, the Flemish Community of Belgium, the Czech Republic, Estonia, France, Israel, Italy, New Zealand, Poland, the Slovak Republic, Slovenia, Spain and the United States; and five partner countries and economies: Colombia, Croatia, Latvia, the Russian Federation and Shanghai-China.

The analysis of students' performance indicates that more needs to be done to empower future generations with the tools to achieve financial well-being.

Only one in ten students across participating OECD countries and economies are able to tackle the hardest financial literacy tasks in PISA 2012. In contrast, 15% of students, on average, score below the baseline level of performance in the PISA financial literacy scale. These students can recognise the difference between needs and wants, make simple decisions about everyday spending, recognise the purpose of common financial documents, such as an invoice, and apply single and basic numerical operations (addition, subtraction or multiplication) in contexts that they are likely to have encountered personally.

Work conducted on the development of the PISA Financial Literacy framework and the analysis of the dataset also permitted the identification of five proficiency levels, as well as of a baseline (Level 2). Level 2 is considered to be the baseline of financial literacy proficiency, with students falling in this level displaying skills that are essential for full participation in society as an independent and responsible citizen. At this level, students begin to apply their knowledge to make financial decisions in contexts that are immediately relevant to them. They can recognise the value of a simple budget, and undertake a simple assessment of value-for-money, choosing between buying vegetables by the kilo or by the box, for example. Students at this level can also apply single basic numerical operations to answer financial questions, and can show an understanding of the relationships between different financial elements, such as the amount of use and the costs incurred.

Beyond their direct relevance and relationship with mathematics and reading, these financial literacy skills may also be beneficial for building other competencies that are becoming increasingly important, such as critical thinking and problem solving.

Provision of financial education in a school context

The PISA Financial Literacy Option 2012, as well as regular surveys conducted within the OECD/INFE membership, revealed that a growing number of countries have introduced some form of financial education in the formal school curriculum (see Box 5.5 "Instruments to facilitate the introduction of financial education in the formal school curriculum"). Financial education is either introduced as a stand-alone subject or through a cross-curricular approach, in which financial education is taught as part of other subjects such as mathematics or social sciences. In a limited, but growing, number of economies financial education has become mandatory at the national level.

Box 5.5. Instruments to facilitate the introduction of financial education in the formal school curriculum

The introduction of financial education in the formal school curriculum may be useful to address the gaps identified through the PISA Financial Literacy Option but can be challenging in many ways. To meet the needs of the educational community and of public authorities at the national and local level, supranational organisations as well as several countries have developed nationally-approved or endorsed guidance to guide the introduction and implementation of financial education in schools.

The INFE Guidelines for Financial Education in Schools

The INFE Guidelines (OECD, 2014a) aim to provide high-level non-binding guidance to assist policy makers and interested stakeholders in designing, introducing and implementing efficient financial education programmes in schools. They also received the support of the Finance Ministers of the Asia Pacific Economic Cooperation (APEC) in 2012 (APEC, 2012). They are complemented by the Guidance on Learning Frameworks, defined as planned and coherent approaches to financial education in the formal school sector that define overall learning outcomes or standards for financial education. They were developed through a comprehensive consultative process which involved a very wide range of stakeholders.

The Guidelines indicate that financial education can be integrated into school curricula as part of a wider co-ordinated national strategy involving the community, should be targeted at every child within the jurisdiction and should be preceded by an assessment of the status and level of financial literacy of young people. They also recommend the involvement of the Ministry of Education and education stakeholders. Moreover, the Guidelines suggest flexible modalities capable of adapting to national and local circumstances.

The Brazilian Guidelines for Financial Education in Schools

The Guidelines for Financial Education in Schools approved by the National Committee on Financial Education (CONEF) and drafted in co-operation with stakeholders from federal and local education authorities and national financial institutions part of the Pedagogical Support Group, opted for a cross-curricular approach in the introduction of financial education in schools.

Schools are called to support the development of values, knowledge and skills that are important for driving an autonomous financial life. The Guidelines identify a group of objectives sought with the implementation of financial education school programmes, relating either to the spatial or the temporal dimension, or the balance of financial life.

The pedagogical section of the Guidelines underlines that financial education should foster dialogue between different areas of knowledge, and as such calls for it to be introduced as a theme that easily transits among different topics of the national curriculum. The Guidelines identify Environment, Work and Consumption, as well as Tax Education as the subjects that better allow for the integration of financial education topics.

Finally, in order to adapt to a federal educational system in which local schools are autonomous from the federal government, Brazilian authorities have devised a flexible implementation approach in which voluntary teachers from different disciplines can opt to teach financial education, receiving teaching support as well as pedagogical material.

The Policy Recommendations for Advancing K-12 Financial Education and the Guide for Policy Makers in the United States

In the United States, the Consumer Financial Protection Bureau (CFPB) published the Policy Recommendations to outline how focusing specifically on youth financial education can mitigate the ongoing struggle of many consumers to manage their finances and to propose a comprehensive strategy to impart personal financial-management skills to young people while through the school system. The report provides an overview of the situation in the different States, and the levels of provision targeting young people also outside of schools.

The document makes five important recommendations on financial education in schools:

1. Introduce key financial education concepts early and continue to build on that foundation consistently throughout the K-12 school years. In addition, CFPB encourages states to make a stand-alone financial education course a graduation requirement for high school students;
2. Include personal financial management questions in standardized tests;
3. Provide opportunities throughout the K-12 years to practice money management through innovative, hands-on learning opportunities;
4. Create consistent opportunities and incentives for teachers to take financial education training with the express intention of teaching financial management to their students;
5. Encourage parents and guardians to discuss money management topics at home and provide them with the

tools necessary to have money conversations with their children. (CPF, 2013b)

The K-12 Recommendations are also complemented by guidance addressed at policy makers (CPF, 2015) to help them connect with the available tools, information, and insights and as such support them in their efforts aimed at advancing K-12 financial education. The Guide includes a framework, which takes policy makers through a series of questions set out to cater the needs of those just beginning to pursue K-12 financial education and those seeking to enrich existing K-12 financial education provision and strengthen it. The framework consists of three sections “Laying the groundwork,” “Building the Initiative” and “Extending the Impact”, for each of which the Guide includes examples from across the different States.

Table 5.1 summarises some of the relevant experiences of introduction of financial education in schools, highlighting the modalities introduction and whether there are programmes to support teachers development and whether dedicated pedagogical materials have been prepared by public authorities.

**Table 5.1 Financial education in schools:
selected examples of modalities of introduction and support**

Country (non-exhaustive list)	Modalities of introduction	Teachers development (offered as part of teachers professional development)	Pedagogical material (developed and/or certified by public institutions)
Australia	Part of the National Curriculum; cross-curricular (maths, english, science in foundation to Year 10; economics and business Year 5 to 8).	ASIC’s MoneySmart Teaching includes resources and training aligned to the National Professional Standards for Teachers.	Yes
Brazil	Pilot in high schools, evaluated, under implementation. Pilot in primary schools – to be implemented.	Virtual platform with distance learning course and video lessons for high school teachers (www.edufinanceiranaescola.gov.br/) and video lessons for primary school teachers.	Yes
Belgium	Pilot project in 25 secondary schools.	Teachers training to begin in 2016 for French-speaking part of the country.	Yes
Canada	Decided at the Provincial (State) level.		Yes
Czech Republic	Compulsory since 2009 in secondary schools (cross-curricular) and 2013 in primary schools (as part of citizenship education); full responsibility for financial education in schools to the Ministry of Education.		
Denmark (see also case study below)	Compulsory , cross-curricular (part of the mathematics and social science’s curriculum in lower secondary education).	Teachers who teach social science (in primary and lower secondary school) are trained to teach the students about the relationship between personal finances and political economy, students consumer behaviour and to teach the students to reflect on their own financial situation and disposals.	
Estonia	Cross-curricular (2010 curriculum incorporates monetary and finance-related topics in primary and lower secondary school).		Yes (www.koolielu.ee)

France	Elements of financial education are included in the secondary school curriculum.		
Hong Kong, China	Aspects of financial literacy are included in primary school (general studies, mathematics); lower secondary school (mathematics, life and society, home economics); upper secondary school (mathematics, liberal studies, business, accounting & financial studies, economics).	The Investor Education Centre has started providing in-service teacher development seminars via the Education Bureau. No pre-service training.	In the process of developing.
Indonesia	2014, financial education was introduced in high schools as part of economics.	Training of trainers for teachers.	
Ireland	Aspects of financial literacy are covered in lower secondary education in maths (mandatory), in home economics and business studies (optional). In upper secondary education, aspects of financial literacy are also covered in maths, as well as the optional subjects of accounting, business, economics, and home economics.		
Lebanon	Part of the national curriculum, introduced in 1996: as part of the civic education curriculum at lower secondary level, and as part of the economics curriculum at upper secondary level.	Yes – at the upper secondary level through a joint programme developed and implemented by the Ministry of Education and Higher Education and the <i>Institut des Finances Basil Fuleihan</i> .	Yes
Japan	Part of the National Curriculum (2008 and 2009); Cross-curricular (social studies, home economics, and moral education, the period for integrated studies, special activities, etc., in primary and secondary schools).	Yes – teachers' seminars.	Yes (lesson plans, educational materials, etc.)
Latvia	Cross-curricular; financial education is integrated into various subjects of the General Curriculum - in grade 1.-9. subject "social studies, in secondary/ vocational education- "economics" or "commercial sciences"	Yes, as well as annual seminars of strategic partners.	Yes, National Centre for Education and the BA School of Business and Finance have developed an educational toolkit freely available to the economics and social sciences teachers
Malaysia	Compulsory since 2014 in primary schools and 2017 in secondary schools; cross-curricular (primary schools: maths, English language, Malay language, and in non-core subjects such as moral education - secondary school curriculum: mathematics, English language, Malay language, commerce, basic economics and living skills).	Financial education module integrated into teachers' professional development and trainee teachers.	Yes. Lesson plans have been developed and distributed to the teachers. The lesson plans will be made available online in the e-portal. On line learning tools for students – games and quizzes

Netherlands	Basic financial education elements are included in primary education (money calculus) and in secondary education (household economics).		A framework has been designed to help publishers of pedagogical materials.
New Zealand	2007, cross-curricular: it provides a context for linking learning areas such as social sciences, mathematics and statistics, English, business studies, health and technology. Full responsibility for financial education in schools to the Ministry of Education.	Yes. In 2014 the Financial Capability Progressions of Learning were added. The progressions describe learning outcomes for students at all levels of the curriculum.	Yes – Ministry of Education
Peru (see also case study below)	Compulsory. Since 2008, by the Ministry of Education through Resolution N° 440-2008-ED; and later amended, in 2015, by the Ministry of Education through Resolution N° 199-2015-MINEDU.	Yes. The SBS implements the Teachers Training Programme <i>Finanzas en el cole</i> (Finances at school).	The SBS has a “Teacher Guide” and is developing pedagogical material for high school students. Finally, the SBS has created stories, comics, and supporting material for elementary school.
Portugal	Yes, in citizenship education based on the 2013 Core Competencies (covering kindergarten, 1st, 2nd and 3rd stages of basic education and secondary education).	Ministry of Education and Science and the three financial supervisors are implementing a training programme for school teachers, which provides the teachers with “credits” that are considered in their career development.	A school book is currently being prepared by three financial supervisors, the Ministry of Education and Science and the four largest financial institutions
Russian Federation	Pilot educational courses and modules at the every grade from elementary to high school in 5 regions with further being introduced in other regions	Special training and methodological support at federal and regional levels through seminars and remotely via webinars and consultations. Further the federal methodological center of teachers training will be established.	Yes. Developed materials for students, teachers, parents and evaluation forms for all grades.
Singapore	Among other initiatives, financial literacy messages have been incorporated into Character and Citizenship Education for primary school students since 2012. Lower secondary students have been introduced to basic consumer and financial literacy education since the 1990s through the Home Economics curriculum. In 2014, the subject Home Economics was renamed as Food and Consumer Education and includes messages on managing financial resources and understanding consumer rights and responsibilities.	Yes, Citi-NIE Financial Literacy Hub for Teachers launched in 2007.	Yes

South Africa	Cross-curricular; integrated in the school curriculum in all grades in a number of learning areas (e.g., economic and management sciences, and mathematical literacy).	No, not officially, but part of specific financial education project related objectives.	Yes, two resources, which included lesson plans and assessment, were developed by the Financial Services Board and partners and approved by the Department of Basic Education for teachers of Mathematical Literacy (Managing your Money) and Economic Management Sciences (Money in Action).
Spain <i>(see also case study on its evaluation)</i>	Compulsory since 2013 new Law for Primary school, where this law introduces some contents of financial education as part of Social Sciences area of knowledge. As regards Secondary school, some more in depth contents of financial education are included as part of the optional subject of Economy in 4th year. Besides, “Financial Education in schools” programme keeps on being implemented in Secondary schools on a voluntary basis.	Yes (finanzasparatodos.es/gepeese)	Yes (finanzasparatodos.es/gepeese)
Thailand	Financial education is included in primary and secondary school curricular, and is mainly taught in economics.	Yes – included in the training on teaching social studies.	Yes (approved by the Ministry of Education)
United Kingdom	Compulsory in the four devolved nations (England, Northern Ireland, Scotland, Wales).		Yes (by not-for-profit <i>pfeg</i>)
United States	Compulsory in some of the States.		

Case studies

Denmark, Malaysia and Peru have successfully achieved the integration of financial education in the school curriculum.

In Denmark, financial education is mandatory in the framework of a decentralised educational system in which municipal boards play an important role in implementing the common learning outcomes decided at the national level. In Malaysia, financial education in schools has been introduced in the context of the national strategy for financial education. The actions of the central bank and of the Ministry of Education were facilitated by the pre-existence of national initiatives focusing on school children. The example of Peru shows how the introduction of financial education in schools can build up expertise within national administrations and establish strong cooperation agreements. The background work conducted for the introduction of financial education in schools has proven instrumental in the definition of a national strategy for financial education.

CASE STUDY: DENMARK

Mandatory provision of financial education in a decentralised educational system

In Denmark financial education activities are developed and coordinated at the national level by the Money and Pension Panel, a board established by the Danish Parliament in June 2007. The Danish Financial Supervision Authority (FSA) provides technical and analytical assistance and acts as the secretariat of the Panel.

The Danish educational system

At the national level in Denmark, the Danish *Folkeskole* (primary and lower secondary schools) are regulated by the *Folkeskole Act*. By means of this Act and its Executive Orders, all municipal primary and lower secondary schools share common learning objectives and standard requirements concerning the subjects that are to be taught at specific grades, standard regulations concerning the learning outcomes (defined as “Common Objectives”) for teaching in individual subjects, as well as standard regulations concerning the organisation of the school system at the local level. The final and grade level objectives establish a national standard and common goals, aimed at ensuring that students acquire the knowledge and skills in the subject/topic at, respectively, the end of their programme of education and at the conclusion of specific grade levels. It is then the responsibility of the individual municipal boards to determine how the municipality’s schools are to be organised in practice, within the framework established by law. The municipal boards themselves determine the municipal level of service for the *Folkeskole* within this overriding framework and can set their own additional objectives for the schools.

Common Objectives cover the two most important sets of academic texts regarding the school’s subjects and topics.

1. The binding national objectives; and
2. Guidelines for curricula and descriptions of the educational development designed to reach the grade level and end objectives.

Once the local curricula and descriptions receive final approval from the municipal board, they become binding for the individual schools.

Financial education provision and assessment

Personal finance, economics and finance are included in the Common Objectives for maths and social studies in lower secondary school. The Common Objectives for maths and social studies address issues related to the daily life and personal finance covering for example savings, loans, credit, budget, consumer behaviour, tax and pensions. The Ministry of Education has completed the process of revising the Common Objectives for all subjects: the requirements of the personal finance in both maths and social studies have been reinforced and the Common Objectives for maths now also include everyday economy in primary schools.

The national examinations after grade level nine in maths and social studies test students in the Common Objectives, including on personal finance and economics. Personal finance is also included in the national tests in maths after grade levels three and six.

With regards to teachers’ development, social science teachers (in primary and lower secondary schools) are trained to teach the relationship between personal finance and political economy, and consumer behaviour and to teach students to reflect on their own financial situation. In addition to this training, the Panel and the Ministry of Education provide a selection of pedagogical materials on their websites.

Co-operation among the private sector, central bank and Ministry of Education paving the way to mandatory financial education

The formal introduction of financial education in Malaysian schools was preceded by a series of initiatives that fostered the collaboration between the central bank, the Ministry of Education, as well as financial services providers.

Efforts leading to integration of financial education into the school curriculum:

- 1996 - National Savings Promotion Campaign was the first collaborative effort of Bank Negara Malaysia (BNM), the Ministry of Education (MOE) and the adoptive financial service providers to inculcate savings and smart money management in school children; and
- 2003 - Promotion of financial education for school children integrated into the Consumer Education Programmes initiatives under the Financial Sector Master Plan 2000 – 2010.

In the framework of these two policies, a series of initiatives was successfully implemented:

- School Adoption Programme (since 1997) - the adoptive financial service providers support teachers in conducting activities related to banking, insurance and basic financial knowledge, also provide an opportunity for school children to experience having a bank account. About 10000 Government aided schools are adopted by the financial service providers.
- Students Financial Clubs (since 1998) - as a platform for schools to organise financial education activities (via workshops, quizzes, contests, visits to financial institutions, knowledge-sharing sessions and games).
- Pocket Money Book (since 1999) - developed with the objective to educate and assist children to manage their pocket money and to take control of their personal finance.
- *duitsaku.com* (since 2004) - an interactive website that promotes financial education through edutainment via games, competitions, quizzes, financial calculations, e-counsellors and other activities related to personal financial management.

The integration of financial education into the school curriculum has benefited from these existing programmes, and is now part of a national strategy agenda, in line with the following recommendations:

- Economic Transformation Plan (2010-2020) – BNM will lead the creation of a coordinated national financial literacy programme based on a public-private partnership. A cornerstone of the programme will be the integration of financial literacy into the formal school curriculum; and
- Bank Negara Malaysia Financial Sector Blueprint 2011-2020 (Blueprint) sets out a number of recommendations aimed at empowering consumers with knowledge, skills and tools to make informed decisions to build, manage and protect their wealth. One of the key recommendations is: promote financial capability as an essential life skill from an early age through the integration of financial education into formal curriculum at schools and higher learning institutions.

Since 2006, BNM has made continuous engagements and persistent efforts to get the buy-in from the MOE to integrate financial education into the school curriculum. BNM's collaboration with the MOE to integrate financial education into the school curriculum has made encouraging progress since 2011 when the MOE was developing a new curriculum for Malaysian schools.

Since 2014, financial education in the new school curriculum has been implemented progressively beginning with year 4 (for children aged 10 years old) in primary schools for subjects such as mathematics, English language, Malay language and moral education.

Beginning in 2017, financial education will be implemented progressively into the secondary school curriculum in mathematics, English language, Malay language, commerce, basic economics and living skills.

The proposed financial education framework comprises the following six financial literacy elements. Their respective learning standards for different school grades has been used by the MOE as key reference in the embedment of financial education into the school subjects:

- Money, Source of Income and Career Choice;
- Financial Responsibility and Decision Making;
- Money Management and Planning;
- Savings and Investments;
- Credit and Debt Management;
- Risk Management, Wealth Protection and Insurance.

Key achievements to-date for collaborative initiatives between BNM and the MOE to complement and support the integration of financial education into the school curriculum include:

- Financial education elements incorporated in year 5 and 6 mathematics, English language, Malay language and moral education;
- Compulsory 14-hour financial education module for final semester trainees teachers at all Teachers Training Institute in Malaysia;
- Training the trainers to support key lecturers to deliver the 14-hour financial education module to trainee teachers;
- Financial education module being developed for the train-the-trainers programme for teachers in service set to roll out in 2015;
- Lesson plans (mathematics, Malay language, English language) were developed to support and guide teachers in the implementation of financial education in the classroom;
- Through engagement sessions such as workshops, more than 1,930 school heads and potential school heads were made aware on the importance of financial education and the roles they need to play to support the implementation of financial education in the classroom at their respective schools; and
- Roles of adoptive financial service providers under the School Adoption Programme were realigned and enhanced - to serve as subject matter experts to provide advice to teachers on the technical aspects of financial management, including on products and services.

CASE STUDY: PERU

The inclusion of financial education in the national curriculum in Peru and a successful national programme to train teachers.

During the last decade, the Peruvian Superintendence of Banking, Insurance and Private Pension Funds (SBS) and other institutions have been working on increasing the level of financial literacy of the population. This effort has evolved from an approach targeting the general public to a more focused target group approach, recognising that each group has its own set of preferences and needs. In particular, the need of financial education for children and youth has been identified as a policy priority in Peru, and therefore, the government has incorporated financial education in the school curriculum.

In 2006, the SBS and the Ministry of Education (MINEDU) signed an agreement to promote financial education in public schools. As a result of this agreement, the two institutions designed and implemented a teacher training programme aimed to provide high school teachers with basic financial knowledge and skills that can be transferred to their students.

In 2007, the first teacher training programme was carried out by the SBS in Lima with the participation of 44 teachers from 13 public schools selected by MINEDU. Since then, the programme was successfully replicated throughout the country reaching out to more than 9000 teachers in eight years.

In 2008, the Ministry of Education recognised the importance of financial education for youth and incorporated it into the National Curriculum for high schools. Having financial education into the National Curriculum represented a milestone not only in the country but also in the region as Peru was the first country in Latin America to incorporate financial education into the school curriculum.

The collaboration between the Ministry of Education and the SBS in the implementation of the teacher training programme, as well as the technical assistance provided by the SBS to improve the current national curriculum in terms of financial education content, has been very important. Due to the high level of staff turnover in the public sector, it was very important to involve professional staff at different levels and engage in communication efforts underlining the importance of financial education. The efforts of the SBS have also been supported in creating incentives to promote financial education at different levels through the active involvement of international organisations, private sector and civil society.

The joint development of financial education within a competence based curriculum

Since 2012, the MINEDU has been working on a competence-based curriculum for all regular basic education, which includes kindergarten, elementary and high school levels. Every competence is broken down in a set of capacities that help teachers to understand the different angles of the learning outcome.

Between 2013 and 2014, the MINEDU invited the SBS, the National System of Evaluation, the Accreditation and

Certification of Educational Quality (SINEACE, its acronym in Spanish) and other financial education experts to participate in a working group in order to develop the financial education learning framework. The working group reviewed other countries' curricula, national experiences on financial education and harnessed the pedagogical and technical expertise of its members.

As a result of the activity of the working group and recognition of the importance of financial education, an update of the national curricula was approved in March 2015 by the Ministerial Resolution N° 199-2015-MINEDU. This incorporates the financial education competence: "He/she acts responsibly with regard to economic resources". This is divided in three more specific abilities:

1. understands the relationship between elements of economic and financial systems;
2. becomes aware that he/she is part of the economic system; and
3. manages resources with responsibility.

The update also included a set of indicators of achievement for each level for the students, in order to allow teachers to have a clear picture about their progression and to understand whether the students meet the expectation for the particular level.

It is expected that this will empower individuals to take responsible decisions through their lives, under the assumption that economic and financial literacy will help them to achieve their individual financial well-being and collective goals more efficiently.

Pilot of financial education for the VII level

The MINEDU together with the SBS and the Bank Association are working on a financial education pilot programme for the VII level of regular basic education (the last three years of high school). The pilot programme has a set of defined outcomes for 2015:

- Create teaching materials such as textbooks for students and pedagogical guidelines for teachers;
- Train the trainers: MINEDU experts will provide the SBS trainers with pedagogical guidelines and technical knowledge on how to understand and use the material developed to train school teachers;
- Design the programme to train teachers to ensure that they have the knowledge and capacities to deliver financial education content in the classroom; and
- Monitor and evaluate the main results of the implementation of the programme on students.

The pilot will be part of a group of projects that MINEDU will be implementing during 2015 in high schools. This programme will be implemented in a set of schools that this year will have extended teaching hours (2 extra hours every day). The results of the pilot will be particularly useful in testing the new approach of financial education and understanding the amount of time required to teach the modules.

It is important to understand that this process is dynamic and the textbooks proposed will need to be refined as necessary based on the feedback received during the pilots, so that the content can be adjusted to better help students achieve their learning goals. This assumes even more relevance as the goals have not yet been tested and most students have not received any kind of financial education before.

National Plan for financial education

In 2014, a Multisectoral Commission for Financial Inclusion was created with the goal of designing and implementing the first National Strategy for Financial Inclusion. In July 2015, the President launched the strategy, by the Supreme Decree N° 191-2015-EF, which will include Financial Education as one of its main components.

Given the importance and complexity of the Financial Education component, the Commission has proposed the creation of a national strategy for financial education called "National plan of financial education" to be jointly led by the Superintendence of Banks, Insurance and Private Pension Funds (SBS) and the Ministry of Education (MINEDU). The Plan will be implemented in parallel and in coordination with the one on inclusion, to lead and articulate all the financial education initiatives over the next five years.

The development and implementation of the strategy on financial education will certainly benefit from the work that has already been done on the introduction of financial education in schools, as this allowed the key stakeholders to develop an expertise on economic-financial education. Moreover, the curriculum for schools can be used as a reference to develop other curricula for the other target groups such as youth and adults.

**Table 5.2 National websites for national strategies for financial education
(selected examples)**

Country	Website(s) <i>Please describe its interactive elements and main components</i>
Armenia	<p>WEBSITE: Finances for all www.abcfinance.am</p> <p>The website is created by The Central Bank of Armenia and provides a full range of information related to personal finance management. The content is organised by target groups (children, students, teachers etc.) and by topics (budgeting, investing, debt, financial system, financial education at teachable moments etc.). The website also includes APRC and APY calculators, budgeting tools, as well as the “Shopping around” comparison tool which gives the possibility to consumers to find out the most appropriate financial product for them available in the market and make informed decisions. The website contains financial games to make it more entertaining and interactive as well.</p>
Australia	<p>WEBSITE 1: Name: National Financial Literacy Strategy Web address: financialliteracy.gov.au www.financialliteracy.gov.au Main features:</p> <ul style="list-style-type: none"> • ASIC's national strategy website contains information and resources to guide and encourage all those with a role to play in improving financial literacy, including the government, business and industry, research and education, community and not-for-profit sectors. • Key sections include: <ul style="list-style-type: none"> ▪ Strategy and action plan: details of the 2014-17 Strategy and Action plan, including core principles, strategic priorities, core actions, key indicators and annual reporting on progress; plus the 2011 Strategy and 2013-14 review and consultation process ▪ Supporters: organisations actively undertaking initiatives under the Strategy, including alignment with Strategy priorities ▪ Research and evaluation: a selection of financial literacy research and evaluation reports from Australia and around the world, including the ANZ Survey of Adult Financial Literacy in Australia and ASIC's Financial Attitudes and Behaviour Tracker ▪ Community of Practice: a national forum to encourage discussion and sharing of relevant research and projects <p>WEBSITE 2: Name: ASIC's MoneySmart Web address: moneysmart.gov.au www.moneysmart.gov.au Main features:</p> <ul style="list-style-type: none"> • ASIC's interactive financial education website for consumers and investors contains clear information, useful tools and independent guidance to help people of all ages, life-stages and circumstances to make the most of their money. • Content is organised by topic, and also tailored for different ages, life-stages, life events and target audiences. Layering of detail from general to specific means people can get a quick answer to a money question or delve more deeply into topics of interest. It is suitable for people with different levels of financial knowledge – from those tackling money issues for the first time, through to more experienced financial consumers. • The website is user-friendly and mobile-responsive. As well as online and print publications, it includes calculators, mobile phone apps, quizzes, videos, infographics and case studies. ASIC's MoneySmart team produces a monthly eNewsletter and is active on social media (Twitter, Facebook and YouTube). Site users can become free members of the website, enabling them to save their online calculator content (eg budget planner, retirement planner) for later access. <p>The Teaching section contains resources for primary and secondary school teachers (including professional development activities, and classroom units of work and digital activities aligned to the national curriculum) and parents, community educators, post-secondary vocational education and training (VET) pathways, and workplaces.</p>

Country	Website(s) <i>Please describe its interactive elements and main components</i>
Brazil	<p>WEBSITE 1: Vida & Dinheiro (Life & Money) – http://www.vidaedinheiro.gov.br Vida & Dinheiro features information about the National Strategy (ENEF) and its main horizontal programmes, as well as Financial Education in general. It also provides many tools which can help the citizen on issues related to savings, insurance, consumer protection, financial planning etc., and all the legal documents issued by the National Committee for Financial Education and its subgroups. This website is maintained by the Associação de Educação Financeira do Brasil (mentioned in pages 54 and 62).</p> <p>WEBSITE 2: <i>Semana ENEF</i> (ENEF Week) – http://www.semanaenef.gov.br This website is specifically dedicated to the National Week for Financial Education (Semana ENEF), a yearly event aimed at the promotion of the National Strategy and the activities developed by the members of the National Committee. It features general information about the National Week, its schedule (with filters for cities and institutions), links to registration for events and information for the press.</p> <p>WEBSITE 3: <i>Programa Educação Financeira nas Escolas</i> (Financial Education Programme in Schools) – http://www.edufinanceiranaescola.gov.br/ Open virtual platform that presents the materials prepared for the Financial Education Programme in High Schools and provides all their content for free download.</p>
Canada	<p>WEBSITE: www.fcac.gc.ca Financial Consumer Agency of Canada (FCAC)</p> <p>This website provides comprehensive financial literacy information, in English and French, geared to Canadian financial consumers, merchants and the financial institutions regulated by FCAC.</p> <p>The Agency's website offers free, objective, interactive and engaging resources such as selector tools, calculators, videos, life events and educational programmes.</p> <p>The Canadian Financial Literacy Database is housed on this website. It is a one-stop shop highlighting resources available from public, private and non-profit organisations across the country to help people improve their financial knowledge and skills. The Agency is also active in social media (Twitter, Facebook, LinkedIn and YouTube).</p>
Estonia	<p>WEBSITE: www.minuraha.ee</p> <p>This website contains information about different financial services and products (insurance, savings, and investments), a wide range of calculators as well information centred on life events and on complaint and redress mechanisms (how to face financial difficulties, how to complain, useful information for students etc.). The website is in Estonian and Russian.</p>
Hong Kong, China	<p>WEBSITE www.hkiec.hk Investor Education Centre</p> <p>It provides a full spectrum of information and tools relating to all aspects of personal finance, from banking and insurance to investing, and retirement planning to assist the public with their financial decision-making and learning.</p> <p>In addition, the IEC has launched a suite of user-friendly and interactive digital tools to help the public plan, review and manage their finances. These include seven digital calculators and one mobile application to help address the most common financial knowledge and capability needs. Brief description of these tools is outlined below and more details are found in www.hkiec.hk/calculators:</p> <ul style="list-style-type: none"> • Financial Health Check - Assess your financial health and get a free analysis report and an action plan for improving it. • Budget Planner - Develop your budget and take control of your spending and savings. • Cut-back - Work out where you can make savings and cut back non-essential expenses. • Saving Goals - Check out how to reach your savings goals and how long it will take to get there. • Debt - Provide an overview of all your personal debts and tips to help you manage your debts. • Net Worth - Weigh up your assets and debts and check out how good you are at managing your wealth. • Retirement Planner - Work out your retirement budget and get action plans. • Money Tracker - A mobile app to help you plan budget and track your expenses and

Country	Website(s) <i>Please describe its interactive elements and main components</i>
	<p>income anytime, anywhere</p> <p>The website also hosts a dedicated “Life Events & You” section providing the general public with information and tips about how to manage their finances to meet their personal needs at different life stages or events, such as getting married, buying and setting up a home and suffering from an illness. Students, fresh graduates just entering the work place and retirees can access a full suite of comprehensive, credible and impartial information about all aspects of financial management in this section on the IEC website. Reference link: www.hkiec.hk/lifeevents</p> <p>In addition, the recently enhanced IEC website offers multimedia contents, cases, newsletters and glossary as well as IEC YouTube channel, a sharing function via the Facebook and my favourite page” function to help enrich users’ experience.</p>
Japan	WEBSITE: www.shiruporuto.jp , www.fsa.go.jp/news/24/sonota/20130430-5/01.pdf
Latvia	<p>WEBSITE 1: “The Client School” for customers of financial service providers educational site of the Financial and Capital Markets Commission (FKTK) www.klientuskola.lv Launched in 2011. Educational materials on most frequently used financial services and associated risks, tests, as well as evidence from research and the national measurement survey. A new section, the CLIENT ABC, has been added in 2015: it includes educational materials on more than 70 different financial literacy topics and tests for different literacy levels (A, B and C). Basic materials have been available also in Russian as from 2012. Website also explains key supervisory principles of the financial sector, deposit guarantee schemes, consumer protection measures and competences of regulatory authorities in Latvia. As of 2014 the website also includes the Index of financial literacy and the summary of indicators featuring in the Latvian household survey.</p> <p>WEBSITE 2: “The Money School” for teachers/educators, created by Bank of Latvia” www.naudasskola.lv Educational website to raise knowledge especially in macroeconomics matters. It also features a <i>Teacher’s Room</i> that provides information on new courses, further education seminars and educational activities for pupils at every grade.</p>
The Netherlands	<p>WEBSITE: www.wijzeringeldzaken.nl</p> <ul style="list-style-type: none"> - Consumer website providing approachable easy to understand information, tools, calculators, checklists, hints etcetera aimed at advancing responsible financial behavior - Centered around themes (mainly life events, such as having children, changing jobs, getting married, retiring, et cetera) - Over two million visitors per year (2015)
New Zealand <i>(see also case Chapter III “Facilitating access to information and advice through multi-channel delivery”)</i>	<p>WEBSITE 1: Sorted www.sorted.org.nz The website created by the Commission for Financial Capability includes information centred on the key three steps to get financially sorted: Think ahead - Make a plan for your money; Shrink your debt - Get rid of high interest debt as fast as you can; Grow your savings - Save regularly to reach your goals. The website also includes calculators and budgeting tools, as well as a comparison tool to find the most appropriate KiwiSaver fund (a voluntary long-term savings scheme for retirement or to build up a deposit for first home), as well as a section for “Sorted Schools”.</p> <p>WEBSITE 2: www.cffc.org.nz/what-we-do/financial-capability/national-strategy/ Made up of description of the National Strategy, its vision and activity streams with related links to educational programmes in schools, adult learning environments and workplaces. Iterative components are to be built.</p>

Country	Website(s) <i>Please describe its interactive elements and main components</i>
Portugal	<p>WEBSITE: <i>Todos Contam</i> (meaning everybody counts, everybody matters) www.todoscontam.pt</p> <p>The website is a hub for the financial education initiatives of all stakeholders of the Portuguese National Plan for Financial Education and it provides financial education tools, including helpful tips and calculators for planning the personal budget, building savings and investments and entering into different credit and insurance products. It also provides tips for different stages of life. Three different libraries with free financial education materials are available: a library for the general public, the Junior Library targeted at students (offering publications for children, games, videos, etc.) and the Trainers' Library targeted at trainers (offering lesson plans and other teaching materials).</p>
Spain	<p>WEBSITE: www.finanzasparatodos.es</p> <p>The aim of the web is to provide help an information to the citizens by covering a wide set of possible financial decisions faced by most individuals over their lives. The website offers practical contents in an everyday language. It presents a wide variety of useful tools to help to manage personal finances, which allows the user to prepare personalized budgets, calculate loan payments, estimate a reasonable level of indebtedness, etc.</p> <p>Different ways of navigation are available:</p> <ul style="list-style-type: none"> • by modules (How to meet the ends, the most important financial decisions at every stage of your life, etc...), • by profiles (student, unemployed, retired, etc...) and • by needs (I need to buy a house, to understand the payroll, etc...). <p>Multimedia resources have been created, such as 12 videos about a young couple who face different financial problems.</p> <p>Social networks have been also exploited in order to make users aware of the resources and interactive tools available at the portal. In this respect, the inclusion of new contents and the development and incorporation of the new downloadable application "My budget" have to be highlighted. This open access, free-of-charge application enables users to interact with and download onto their PCs a tool which helps them keep a tight rein on their personal finances, set targets, and match their budget to their financial situation.</p> <p>On the other hand, the "Financial Education in schools" programme led to the creation of a restricted area inside finanzasparatodos.es, which has been set up in order to provide pupils and teachers participating in the programme with games, workshops, tools and interactive resources (www.gepeese.es). The aim is to provide young people with a more practical and accessible approach to these subjects and to give the teaching staff more support and educational resources.</p> <p>Also, a "private area" for teachers has been created inside the website www.gepeese.es which includes (i) teaching resources, guidelines and recommendations to teach financial education in the classroom, (ii) the curricular areas related with financial education, (iii) games, workshops, etc. This area has a special section with news and events so teachers may exchange their materials or discuss about their experiences teaching financial education.</p>

Country	Website(s) <i>Please describe its interactive elements and main components</i>
South Africa <i>(see also case Chapter III “Facilitating access to information and advice through multi-channel delivery”)</i>	WEBSITE: www.mylifemymoney.co.za <i>Mylifemymoney</i> aims to help consumers make the most of their money in the following ways; <ul style="list-style-type: none"> • Life events and the various financial responsibilities • Free budget template and calculators. • Booklets and brochures /glossary • Financial Tips & Public warnings • Interactive: Blogs, Feedback forum, CED.consumer@fsb.co.za. • Online learning and training
United States	WEBSITE www.mymoney.gov The website of the Financial Literacy and Education Commission is a “one-stop shop” for Americans to find financial education information and resources from across the federal government in one place. The website includes information for youth, educators, and researchers, including articles, calculators, worksheets, checklists and other information from over 20 government agencies. It includes interactive MyMoney Five Quizzes and the FLEC Research and Data Clearinghouse. The website is built around the MyMoney Five building blocks for managing and growing money – earning, spending, saving and investing, borrowing and protecting.

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- 📖 **OECD/INFE (2012a)**, High-level Principles for the Evaluation of Financial Education Programmes.
- 📖 **OECD/INFE (2012b)**, High-level Principles on National Strategies for Financial Education.
- 📖 **OECD/INFE (2013a)**, OECD/INFE Policy Guidance on Addressing Women's and Girls' Needs for Financial Awareness and Education.
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- 📖 **OECD/INFE (2015b)**, Financial Education in Asia and the Pacific Region (forthcoming)
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- 📖 **Personal Finance Education Group (pfeg) (2011)**, pfeg Quality Mark: Guidance for Resource Producers.
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- 📖 **Russia's G20 Presidency and OECD (2013)**, Advancing national Strategies for Financial Education.
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ANNEX 1

CHECKLIST FOR THE IMPLEMENTATION OF NATIONAL STRATEGIES FOR FINANCIAL EDUCATION

Introduction

This Checklist has been developed by the OECD/INFE Technical Committee and approved in May 2015. It has been designed to be an easy-to-use tool to help public authorities (especially if they are leading/coordinating a national strategy) and/or other relevant stakeholders who would like to self-assess the implementation of their strategy for financial education and the associated policies and initiatives.

Regular collection of information based on the checklist will also be used to keep track of relevant trends in the development and implementation of national strategies and identify future challenging areas.

The list of questions included in the checklist follows the sections of the OECD/INFE High-level Principles on National Strategies for Financial Education. It is also based on the lessons learnt in the Policy Handbook on the Implementation of National Strategies for Financial Education as well as relevant OECD Recommendations¹⁵ and OECD/INFE practical instruments developed over recent years to support effective financial education provision. The checklist accordingly covers the key aspects of a national (regional or local) strategy for financial education including the preparatory steps (I), the leadership, coordination mechanisms and role of main stakeholders (II), the roadmap (III) as well as relevant delivery mechanisms and their evaluation (IV).

The Checklist's format is the following:

- It mainly consists of closed (yes/no) questions providing guidance on important actions to be performed to design and implement a successful strategy. Public authorities can also indicate whether developments related to certain actions are "in progress". Itemised lists are provided in many cases, but as these may not be exhaustive, an "other" choice is typically included, for which a specific answer may be required.
- A "comment" column is also included to allow public authorities to add comments to support the effective implementation of the strategy (in case the concern issue/action is in progress or if the question is an open one).
- The last column provides information on available and relevant OECD/INFE policy and practical tools that can support particular areas of the national strategy implementation.

¹⁵ Recommendation on Principles and Good Practices for Financial Education and Awareness (2005), Recommendation on Good Practices for Financial Education Relating to Private Pensions (2008), Recommendation on Good Practices for Enhanced Risk Awareness and Education on Insurance Issues (2008), Recommendation on Good Practices on Financial Education and Awareness Relating to Credit (2009). Please see: <http://www.financial-education.org/standards.html>

Checklist for the implementation of National Strategies for Financial Education

ISSUE	ANSWER			AVAILABLE TOOLS
	YES	IN PROGRESS	COMMENTS	
PART I – PREPARATION OF THE NATIONAL STRATEGY				
<i>The development of a national strategy should involve the whole sequence of appropriate assessment, mapping, consultative and communication processes and preparatory surveys. Such preparation should preferably be driven by the government, a public or regulatory authority or a national consultative/steering body.</i> (OECD/INFE High-level Principles on National Strategies for Financial Education, 2012, G20 endorsement)				
MAPPING AND EVALUATION OF EXISTING INITIATIVES				
1. Have we mapped the existing financial education initiatives?	<input type="checkbox"/>	<input type="checkbox"/>		
a) Have we assessed the quality of these initiatives?	<input type="checkbox"/>	<input type="checkbox"/>		
2. Have we mapped and reviewed relevant research and literature?	<input type="checkbox"/>	<input type="checkbox"/>		
3. Have we mapped and reviewed international initiatives?	<input type="checkbox"/>	<input type="checkbox"/>		
4. Have we identified:				
a) effective and replicable practices	<input type="checkbox"/>	<input type="checkbox"/>		
b) possible inefficiencies and/or gaps in provision	<input type="checkbox"/>	<input type="checkbox"/>		
ASSESSMENT OF THE POPULATION AND MAIN POLICY ISSUES				
5. Do we have a baseline measure/survey of the level of financial literacy of the population (and relevant subgroups)?	<input type="checkbox"/>	<input type="checkbox"/>		
a) Do we repeat this survey?	<input type="checkbox"/>	<input type="checkbox"/>		2015 OECD/INFE Toolkit for Measuring Financial Literacy and Financial Inclusion PISA 2012 Financial Literacy Framework OECD PISA financial literacy assessment of students
i. If yes, how often is it conducted?	<input type="checkbox"/>	<input type="checkbox"/>		
b) Do we use an international survey instrument, and if yes, which one (response in comment)?	<input type="checkbox"/>	<input type="checkbox"/>		
c) Are data for our country/economy included in available international comparisons (such as PISA Financial Literacy assessment, OECD/INFE measurement exercises)?	<input type="checkbox"/>	<input type="checkbox"/>		

ISSUE	ANSWER			AVAILABLE TOOLS
	YES	IN PROGRESS	COMMENTS	
6. Do we also draw quantitative and qualitative information on the financial literacy needs of our population from: a) Household surveys (including financial assets ownerships, savings and indebtedness rates, investment preferences, etc.) b) Opinion polls c) Consumer complaints data d) Market research e) Others (specify in comment)	<input type="checkbox"/>	<input type="checkbox"/>		
7. Have we conducted any additional research on specific financial literacy needs and vulnerabilities of the population? (specify in comment)	<input type="checkbox"/>	<input type="checkbox"/>		
CONSULTATION				
8. In mapping existing financial education initiatives and assessing the population needs and gaps, have we consulted: a) Interested public authorities and government b) Civil society stakeholders and intermediaries: i. Consumers' associations ii. Employers' associations iii. Trade unions iv. Teachers' association v. Media vi. Universities/academia vii. Others (specify in comment) c) Private stakeholders d) General public	<input type="checkbox"/>	<input type="checkbox"/>		
9. Have we set up a consultative platform/mechanism for stakeholders to provide input and feedback into other phases of the national strategy?	<input type="checkbox"/>	<input type="checkbox"/>		

ISSUE	ANSWER			AVAILABLE TOOLS
	YES	IN PROGRESS	COMMENTS	
COMMUNICATION AND AWARENESS				
10. Have the results of the mapping and assessment exercise been reported to:				
a) Relevant public authorities/government	<input type="checkbox"/>	<input type="checkbox"/>		
b) Civil society stakeholders and intermediaries:				
i. Consumers' associations	<input type="checkbox"/>	<input type="checkbox"/>		
ii. Employers' associations	<input type="checkbox"/>	<input type="checkbox"/>		
iii. Trade unions	<input type="checkbox"/>	<input type="checkbox"/>		
iv. Teachers' association	<input type="checkbox"/>	<input type="checkbox"/>		
v. Media	<input type="checkbox"/>	<input type="checkbox"/>		
vi. Universities/academia	<input type="checkbox"/>	<input type="checkbox"/>		
vii. Others (specify in comment)	<input type="checkbox"/>	<input type="checkbox"/>		
c) Private stakeholders	<input type="checkbox"/>	<input type="checkbox"/>		
d) General public through awareness campaigns	<input type="checkbox"/>	<input type="checkbox"/>		
PART II – GOVERNANCE MECHANISMS AND THE ROLE OF STAKEHOLDERS				
<i>The strategy framework should be tailored to national circumstances and be flexible. It should also rely on transparent co-ordination and governance mechanisms with an identified leading authority or governing mechanism and shared but clearly defined roles and responsibilities for relevant stakeholders. (OECD/INFE High-level Principles on National Strategies for Financial Education, 2012, G20 endorsement)</i>				
LEADERSHIP AND GOVERNING STRUCTURE				
11. Is the strategy supported/endorsed at the highest policy level?				
a) By the Head of Government/State?	<input type="checkbox"/>	<input type="checkbox"/>		
b) By relevant Ministers/Central Bank Governor/Heads of Supervisory Authorities?	<input type="checkbox"/>	<input type="checkbox"/>		

ISSUE	ANSWER			AVAILABLE TOOLS
	YES	IN PROGRESS	COMMENTS	
12. Is there a mandate for financial education? a) If yes, is it granted to: i. A single authority ii. A committee iii. If a committee, which authorities are involved? (response in comment)	<input type="checkbox"/>	<input type="checkbox"/>		
13. Does an institution/authority/body have a leadership role to develop/implement the strategy?	<input type="checkbox"/>	<input type="checkbox"/>		
CO-ORDINATION AND THE ROLES AND RESPONSIBILITIES OF STAKEHOLDERS				
<i>Public authorities</i>				
14. Do we involve these public authorities? a) Ministry of Finance b) Ministry of Education c) Ministry(ies) with mandate for social affairs and/or vulnerable groups d) Central Bank e) Financial regulator(s) and/or supervisor(s) f) State/regional authorities (If we are a federation) g) International donors (if relevant)	<input type="checkbox"/>	<input type="checkbox"/>		Recommendation on Principles and Good Practices for Financial Education and Awareness
15. Are there appropriate reporting mechanisms to keep the government informed of relevant progress, achievements and challenges in the implementation of the strategy?	<input type="checkbox"/>	<input type="checkbox"/>		

ISSUE	ANSWER			AVAILABLE TOOLS
	YES	IN PROGRESS	COMMENTS	
<i>Private and not-for-profit stakeholders</i>				
16. Do we involve trusted stakeholders in the private sector in the strategy (if/when relevant)? a) If yes, are these: i. Industry associations ii. Financial corporation entities iii. Telecommunication companies iv. Other (specify in comment)	<input type="checkbox"/>	<input type="checkbox"/>		OECD/INFE Guidelines for Private and Not-for-profit Stakeholders in Financial Education
17. In particular, have these trusted stakeholders in the private sector been consulted/involved in: a) the design of the national strategy b) the implementation of the national strategy	<input type="checkbox"/>	<input type="checkbox"/>		
18. Did we develop principles/guidelines/quality standards about the design/implementation of financial education initiatives by private stakeholders?	<input type="checkbox"/>	<input type="checkbox"/>		
19. If we have defined principles/guidelines/quality standards, do we monitor the design and implementation of financial education initiatives by private stakeholders to check that they are followed?	<input type="checkbox"/>	<input type="checkbox"/>		
20. Are there enforcement mechanisms to ensure compliance with these principles/guidelines/quality standards? a) If yes, which authority has enforcement powers?	<input type="checkbox"/>	<input type="checkbox"/>		
21. Do private stakeholders that follow these principles/guidelines/quality standards get a recognition of their contribution to the national strategy?	<input type="checkbox"/>	<input type="checkbox"/>		
22. If we have <i>not</i> defined principles/guidelines/quality standards, do we monitor in some other way the involvement of private stakeholders? If so, how? (specify in comment)	<input type="checkbox"/>	<input type="checkbox"/>		
23. If we have <i>not</i> defined principles/guidelines/quality standards, did we encourage relevant private and not-for-profit stakeholders to develop their own codes of conduct?	<input type="checkbox"/>	<input type="checkbox"/>		

ISSUE	ANSWER			AVAILABLE TOOLS
	YES	IN PROGRESS	COMMENTS	
<p>24. Do we involve trusted organisations among not-for-profit and/or civil society stakeholders in the strategy?</p> <p>a) If yes, which of the following stakeholders are particularly involved</p> <ul style="list-style-type: none"> i. National NGOs ii. International NGOs iii. Trade unions iv. Consumer associations v. Teachers association vi. Employers vii. Media viii. Others (specify in comment) 	<input type="checkbox"/>	<input type="checkbox"/>		OECD/INFE Guidelines for Private and Not-for-profit Stakeholders in Financial Education
	<input type="checkbox"/>	<input type="checkbox"/>		
25. Is there a partnership with national research centres and/or universities in order to support our financial literacy analysis and research on programmes?	<input type="checkbox"/>	<input type="checkbox"/>		
26. Are there appropriate reporting mechanisms to keep stakeholders informed of relevant progress, achievements and challenges in the implementation of the strategy?	<input type="checkbox"/>	<input type="checkbox"/>		
<i>International cooperation</i>				
27. Do we engage in international cooperation and dialogue on these issues?	<input type="checkbox"/>	<input type="checkbox"/>		

ISSUE	ANSWER			AVAILABLE TOOLS
	YES	IN PROGRESS	COMMENTS	
PART III – ROADMAP				
<i>The strategy framework should encompass the design of a tailored roadmap including an overall and cross-sectoral vision; realistic, measurable and time-bound objectives; and the definition of relevant policy priorities and, where relevant, target audiences. It should also plan an overall impact assessment and identify appropriate resources. The roadmap should be sufficiently flexible and take account of the dynamic context of the national strategy (including the political environment). It should be reconsidered regularly through research and analysis to ensure the continued relevance of its content. (OECD/INFE High-level Principles on National Strategies for Financial Education, 2012, G20 endorsement)</i>				
COMMON OBJECTIVES AND POLICY PRIORITIES				
<p>28. Have we identified policy priorities emerging from the quantitative and qualitative assessments?</p> <p>a) If yes, do these include</p> <ul style="list-style-type: none"> i. Financial inclusion ii. Credit and indebtedness iii. Retirement iv. Long-term savings and investments v. Insurance vi. Financial consumer protection vii. Other (specify in comment) 	<input type="checkbox"/>	<input type="checkbox"/>		
<p>29. Do we have a roadmap/action plan?</p> <p>a) If yes, does the roadmap include relevant financial education components in existing legislation and regulation covering financial markets, insurance, pension, and credit, financial inclusion and/or financial consumer protection?</p> <ul style="list-style-type: none"> i. If yes, which? (response in comment) 	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>		<p>Good Practices on Financial Education and Awareness Relating to Credit</p> <p>Good Practices for Enhanced Risk Awareness and Education on Insurance Issues</p> <p>Good Practices for Financial Education Relating to Private Pensions</p>
<p>30. Have we set long-term (5 years or longer) objectives?</p> <p>a) If yes, are they measurable?</p>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>		

ISSUE	ANSWER			AVAILABLE TOOLS
	YES	IN PROGRESS	COMMENTS	
OVERALL IMPACT ASSESSMENT				
36. Do we monitor the implementation of the national strategy? a) If yes, through which of the following methods ? i. Feedback from individual initiatives ii. Formal reporting systems from public authorities and stakeholders iii. Feedback from third parties (e. g. monitoring conducted by independent bodies) iv. Other (specify in comment)	<input type="checkbox"/> 	<input type="checkbox"/> 		2015 OECD/INFE Toolkit for Measuring Financial Literacy and Financial Inclusion Guide to Evaluating Financial Education Programmes
37. Do we gather evaluation evidence through the following methods: a) Repeated waves of financial literacy measurement b) Basic indicators of financial literacy levels c) Qualitative and quantitative evaluation of the programmes part of the national strategy i. If yes, which ones? (response in comment)	<input type="checkbox"/> 	<input type="checkbox"/> 		Detailed guidance for evaluating financial education programmes INFE High-level Principles for the Evaluation of Financial Education Programmes
38. Do we report these results to: a) The government/parliament b) General public c) Interested stakeholders (specify in comment)	<input type="checkbox"/> 	<input type="checkbox"/> 		Checklist on the evaluation of financial education programmes

ISSUE	ANSWER			AVAILABLE TOOLS
	YES	IN PROGRESS	COMMENTS	
RESOURCES				
39. Have we earmarked dedicated resources for the development and implementation of the strategy in a single budget? a) If yes, is this budget established for: i. The long term (at least several years) ii. The whole strategy iii. Specific programmes/projects b) If not (i.e. a single budget does not exist), do participating authorities set specific amounts in their budgets for the strategy?	<input type="checkbox"/>	<input type="checkbox"/>		
40. Have we encouraged private stakeholders to contribute resources to the strategy implementation? a) If yes, what are the main contributors: i. National associations/self-regulatory bodies ii. Financial institutions iii. Others (specify in comment)	<input type="checkbox"/>	<input type="checkbox"/>		
41. If private stakeholders are providing resources to the national strategy is this done through: a) Levies on the financial services industry b) Financial contributions: i. Voluntary ii. Mandatory iii. For the overall strategy iv. For specific projects c) In-kind contributions/support: i. For the overall strategy ii. For specific projects	<input type="checkbox"/>	<input type="checkbox"/>		

ISSUE	ANSWER			AVAILABLE TOOLS
	YES	IN PROGRESS	COMMENTS	
PART IV – DELIVERY MECHANISMS AND PROGRAMME EVALUATION				
<i>The strategy framework and its roadmap should provide directions on the delivery, implementation and evaluation of dedicated financial education programmes. (OECD/INFE High-level Principles on National Strategies for Financial Education, 2012, G20 endorsement)</i>				
DELIVERY METHODS, TRAINING AND TOOLS				
<p>42. Did we define (e.g. in the strategy roadmap) general guidance on the most efficient delivery methods and tools?</p> <p>a) If yes, is this based on the following:</p> <ul style="list-style-type: none"> i. Research results ii. Identified national good practices iii. Pilot programmes iv. International guidance v. Other (specify in comment) 	<input type="checkbox"/>	<input type="checkbox"/>		<p>OECD Recommendation on Principles and Good Practices for Financial Education and Awareness</p>
<p>43. Have we set up as part of the strategy:</p> <ul style="list-style-type: none"> a) Train-the-trainers programmes b) A single website/source of information for the population c) Mass awareness/communication campaigns d) Awards or certification for initiatives meeting certain quality criteria e) A financial literacy day/week/month f) Programmes aimed at specific target audiences (if yes, specify in comment) 	<input type="checkbox"/>	<input type="checkbox"/>		

ISSUE	ANSWER			AVAILABLE TOOLS
	YES	IN PROGRESS	COMMENTS	
44. Is financial education taught in schools/universities?		<input type="checkbox"/>		INFE Guidelines on Financial Education in Schools Core competencies on financial literacy for youth
a) If yes, is it provided in:	<input type="checkbox"/>			
i. Kindergarten or primary schools	<input type="checkbox"/>	<input type="checkbox"/>		
ii. Middle, secondary or high schools	<input type="checkbox"/>	<input type="checkbox"/>		
iii. Vocational schools	<input type="checkbox"/>	<input type="checkbox"/>		
iv. Universities	<input type="checkbox"/>	<input type="checkbox"/>		
v. Other further/higher education establishments (if yes, specify in comment)	<input type="checkbox"/>	<input type="checkbox"/>		
MONITORING AND EVALUATION OF PROGRAMMES				
45. Have we actively promoted the monitoring and evaluation of individual financial education initiatives part of our strategy?	<input type="checkbox"/>	<input type="checkbox"/>		Guide to Evaluating Financial Education Programmes
46. Do we use robust monitoring and evaluation methodologies to assess the efficiency and impact of the initiatives part of the strategy (such as the ones developed by the OECD/INFE and the World Bank)?	<input type="checkbox"/>	<input type="checkbox"/>		Detailed guidance for evaluating financial education programmes
47. Do we systematically disseminate the the monitoring and evaluation results of initiatives part of the strategy?	<input type="checkbox"/>	<input type="checkbox"/>		INFE High-level Principles for the Evaluation of Financial Education Programmes
48. Do we centralise information on the results of monitoring and evaluation of initiatives part of the strategy?	<input type="checkbox"/>	<input type="checkbox"/>		Checklist on the evaluation of financial education programmes
a) If yes, do we disseminate this information internationally (including through the OECD/INFE)?	<input type="checkbox"/>	<input type="checkbox"/>		

ANNEX 2

OECD/INFE HIGH-LEVEL PRINCIPLES ON NATIONAL STRATEGIES FOR FINANCIAL EDUCATION

ENDORSED BY G20 LEADERS IN 2012

INTRODUCTION

With the support of the G20 Mexican Presidency and at the request G20 Finance Ministers and Central Bank Governors in February and April 2012, the OECD/INFE High-Level Principles on National Strategies for Financial Education were submitted to, and endorsed by, G20 Leaders at their meeting in Los Cabos in June 2012.

At the request of the APEC Russian Presidency, these Principles were also transmitted to APEC Ministers of Finance whom welcomed their endorsement by APEC leaders at their meeting on 30 August 2012.

The development of the High-level Principles¹⁶ largely built on the work developed by the OECD/INFE. The OECD/INFE started working on this issue through a dedicated expert subgroup on national strategies for financial education¹⁷ in June 2010. The work began by a wide and comprehensive stock-take of existing practices amongst INFE members between July 2010 and March 2012. This exercise formed the basis of a first comparative analytical report¹⁸ and of these High-level Principles.

The development of the High-level Principles followed an iterative and thorough discussion and review process within the dedicated INFE subgroup and the INFE and also involved the OECD legal department and OECD bodies in charge of financial education (i.e. the OECD Committee on Financial Markets and the OECD Insurance and Private Pensions Committee). Between May 2011 and April 2012, five versions of the principles have been debated and progressively fine-tuned. The fifth and final version of the High-level Principles has been formally approved by the OECD/INFE and by the OECD Committee on Financial Markets and the OECD Insurance and Private Pensions Committee in the course of April 2012.

In the aftermath of the financial crisis, financial literacy¹⁹ has been increasingly recognised as an important individual life skill in a majority of economies. The underlying reasons for this growing policy attention encompass the transfer of a broad range of (financial) risks to consumers, the greater complexity and rapid evolution of the financial landscape, the rising number of active consumers/investors in the financial sphere and the limited ability of regulation alone to efficiently protect consumers. In addition, the consequences of the financial crisis have demonstrated the potential implied costs and negative spill-over effects of low levels of financial literacy for society at large, financial markets and households.

Financial education has thus become an important complement to market conduct and prudential regulation, and improving individuals' financial behaviour(s) has become a long-term policy priority in many countries. This trend has

¹⁶ This project benefited from the support of the Russian Trust Fund on financial education and literacy.

¹⁷ Chaired by South Africa and Portugal and composed of representatives of Armenia, Canada, Colombia, Czech Republic, France, India, Jamaica, Italy, Mexico, Turkey and United Kingdom.







¹⁸ See also Grifoni, A. and F. Messy (2012), "Current Status of National Strategies for Financial Education: A Comparative Analysis and Relevant Practices", OECD Working Papers on Finance, Insurance and Private Pensions, No. 16, OECD Publishing, Paris.

¹⁹ Defined as "a combination of financial awareness, knowledge, skills, attitude and behaviours necessary to make sound financial decisions and ultimately achieve individual financial well-being": see Atkinson and Messy (2012).

notably led to the development of a wide range of financial education initiatives by governments, regulators and various other private and civil stakeholders, sometimes combined with financial consumer protection measures.

As the amount of attention and resources spent on financial education has increased so has the importance of ensuring the efficiency and relevance of these programmes and their long term impact. In this respect, the establishment of co-ordinated and tailored strategies at national level has been widely considered to be one of the best means to achieve these efficiency goals²⁰ while avoiding duplication of resources and efforts. However such national endeavours have often proved to be challenging due to limited long-term commitment from concerned stakeholders, difficult co-operation between them, competing interests and mandates, lack of financial and in-kind resources and other implementation issues.

The High-level Principles are aimed at addressing these issues and offer interested stakeholders, and in particular governments and public authorities, non-binding international guidance and policy options in order to develop efficient national strategies for financial education. As such, they constitute a key global guidance instrument on financial education and awareness. They should be read in conjunction with, and as an overarching framework for, the series of recommendations already produced and endorsed by INFE and the OECD Council on these issues and including:

-  **OECD (2005)** Recommendation of the Council on Principles and Good Practices on Financial Education and Awareness;
-  **OECD (2008)** Recommendation of the Council on Good Practices for Financial Education relating to Private Pensions;
-  **OECD (2008)** Recommendation of the Council on Good Practices for Enhanced Risk Awareness and Education on Insurance issues;
-  **OECD (2009)** Recommendation of the Council on Good Practices on Financial Education and Awareness relating to Credit;
-  **OECD/INFE (2011)** High-level Principles on the Evaluation of Financial Education Programmes and dedicated Guides on Evaluation; and
-  **INFE (2013)** Guidelines for Financial Education in Schools.

The High-level Principles also take into account work carried out by the OECD/INFE for particular groups of the population (including women or underbanked); on measurement of financial literacy and on the role of financial education to support and encourage saving and investment.

The High-level Principles acknowledge that there is no one-size-fits-all model for the development of national strategies for financial education. They are rather aimed at providing general guidance on the main desirable elements of efficient national strategies for financial education which should be applied taking into account countries' circumstances and context.

In this respect, in some countries, the national strategy for financial education may be developed as part of a wider framework aimed at enhancing financial inclusion through improved access to financial products and services, on the supply side, and enhanced financial literacy and awareness, on the demand side. National strategies for financial education should also be conceived as complements to measures aimed at reinforcing the financial consumer protection framework and related regulatory and prudential framework.

Whenever possible and/or relevant, the High-level Principles suggest various options for implementation purposes and/or provide more detailed explanatory guidance in order to provide clear but flexible guidance to policy makers and interested stakeholders.

Such indications are displayed in italics in the document.

²⁰ See Grifoni and Messy (2012).

TEXT OF THE OECD/INFE HIGH-LEVEL PRINCIPLES ON NATIONAL STRATEGIES FOR FINANCIAL EDUCATION

I - Definition, scope and purpose

A national strategy for financial education (referred to in the rest of the document as “*National Strategy*” or NS) is defined as “**a nationally co-ordinated approach to financial education that consists of an adapted framework or programme**, which:

- Recognises the importance of financial education²¹ - including possibly through legislation- and defines its meaning and scope at the national level in relation to identified national needs and gaps (sections I and II);
- Involves the cooperation of different stakeholders as well as the identification of a national leader or co-ordinating body/council (section III);
- Establishes a roadmap to achieve specific and predetermined objectives within a set period of time (section IV); and,
- Provides guidance to be applied by individual programmes in order to efficiently and appropriately contribute to the NS (section V).”

There is no one-size-fits-all model or process for the development of a NS. The process for NS development and the design of its framework should address specific national challenges and be adapted to countries’ short and long term policy objectives.

The NS can be part of, or a complement to, an holistic approach aimed at financially empowering consumers and investors through enhanced access to a range of regulated financial services or appropriate financial inclusion²² and/or improved financial consumer protection framework; or more broadly at promoting the development of sound and fair financial markets and supporting financial stability.

Whether they are part of a wider strategy or not, NS have to be developed to be consistent with related national strategies or initiatives on financial inclusion and financial consumer protection, reflecting the need to develop a trilogy approach on financial consumer empowerment promoted by the G20 and the OECD/INFE.

The process for establishing and implementing the NS can follow different paths depending on countries’ circumstances. Accordingly, the articulation of the following 4 sections (which mirrors the NS abovementioned definition) does not necessarily reflect a sequential order, but the main elements of a NS which can be put in place at different times or simultaneously in countries depending on their context.

The specific objectives of the financial literacy component can range from improved awareness, confidence, knowledge and understanding of consumers and investors on financial issues to making savvier financial decisions. They can also involve more tailored priorities including reaching out to specific and potentially vulnerable segments of the population, as well as addressing identified policy priorities (see also section IV).

The preparation and development of the NS on one hand and its implementation on the other hand can involve different parties and timeframes.

²¹ Defined by the OECD in 2005 as “*the process by which financial consumers/investors improve their understanding of financial products, concepts and risks and, through information, instruction and/or objective advice develop the skills and confidence to become more aware of (financial) risks and opportunities to make informed choices, to know where to go for help, and take other effective actions to improve their financial well-being*”.

²² Financial inclusion is currently defined in various ways. The G20 Global Partnership on Financial Inclusion and the INFE subgroup on the role of financial education in financial inclusion have developed globally acceptable definitions. For the sake of this document, the agreed working definition of the INFE subgroup will be used “*the process of promoting affordable, timely and adequate access to a range of regulated financial products and services and broadening their use by all segments of society through the implementation of tailored existing and innovative approaches including financial awareness and education with a view to promote financial well-being as well as economic and social inclusion*”.

Considering the diversity of experiences, the OECD/INFE should continue to provide a platform for peer learning through which countries that have developed a NS can share lessons learnt and good practices.

II – Preparation of the national strategy: Defining its scope and purpose through assessment, mapping and consultation

Ideally, the development of a NS should involve the whole sequence of appropriate assessment, mapping, consultative and communication processes and preparatory surveys. Such preparation should preferably be driven by the government, a public or regulatory authority or a national consultative/steering body.

In order to avoid losing momentum but taking into account possible challenges (including political willingness and available resources), this preparatory step should be followed in a timely manner, or concomitant with, the design of a common framework (sections III and IV) and its implementation (section V).

The process for the development of the NS is important in order to raise the level of awareness of financial literacy issues at a national level, build trust among various stakeholders, identify the best modalities for co-ordination and ensure relevance at the national level. It can also be instrumental in identifying a leading authority for the NS and establishing adequate co-ordination mechanisms in readiness for implementation.

A- Mapping and evaluation of existing initiatives

The preparatory phase should notably encompass the mapping and review of:

- existing financial education initiatives promoted by public, private and civil society stakeholders;
- relevant research and literature; and
- international practices (including the OECD and INFE instruments, analytical and comparative surveys, findings and recommendations²³).

The mapping exercise should allow the identification of relevant and trusted partners, operational and replicable practices, as well as possible inefficiencies and/or gaps.

B- Assessments of the needs of the population and main policy issues

Assessments of the needs of the population in terms of financial literacy and of the main national policy shortcomings should also be conducted. Such assessment(s) should preferably be based on a national measurement of financial literacy²⁴.

The assessment(s) can also draw information from sources such as consumer surveys and market research, opinions polls, consumers' complaints, financial market surveys, financial and economic indicators or other consultative processes.

The assessment(s) should enable a better definition of the NS main targets, priorities and short and long term objectives, as well as provide a baseline from which to measure change.

C- Consultation

A mechanism or mechanisms to ensure consultation and co-ordination between the various NS stakeholders (and possibly the general public) should also be identified and activated during this preparatory phase.

The mechanism can include consultative processes and/or the creation of a dedicated platform or council/board including relevant stakeholders. The scope and level of formality of these structures will depend on the country's circumstances and context.

²³ See also Grifoni, A. and F. Messy (2012).

²⁴ For example, the measure developed at an international level by the OECD/INFE and by the World Bank.

D- National awareness and communication

The reporting and adequate communication of the results of this preparatory phase and the official announcement of the launch and development of the NS to relevant stakeholders and the public should be actively promoted and publicised.

Appropriate communication can help further raise awareness on the importance of financial education and the related NS and reinforce buy-in from key stakeholders and the population at large.

III - Governance mechanism and the role of main stakeholders in the national strategy

The NS framework should be tailored to national circumstances and be flexible. It should also rely on transparent co-ordination and governance mechanisms with an identified leading authority or governing mechanism and shared but clearly defined roles and responsibilities for relevant stakeholders.

A- Leadership and governing structure

The NS should preferably be initiated, developed and monitored by a widely credible and unbiased leading authority or governing mechanism. It should be recognised and promoted at the highest policy level. Such a leading authority or governing mechanism should possess expertise and ideally a dedicated mandate on financial education (or consumer empowerment issues including financial education). It should also have the necessary resources and possibly enforcement powers to enable it to develop and ensure the appropriate implementation of a nationally-adapted, sustainable and efficient NS.

The leading authority or governing mechanism can be an existing public authority or body (either government, public body regulator(s) or council), a new and dedicated body or a new mechanism/structure aimed at co-ordinating various responsible authorities. Such new structures can take various forms²⁵, and can involve, and be financially supported by, a range of stakeholders.

B- Co-ordination and the roles and responsibilities of various stakeholders

The NS framework should involve cross-sectoral co-ordination at a national level of the various stakeholders known to be competent and interested in financial education. Such co-ordination should encompass the setting of responsibilities and roles consistent with the main stakeholders' expertise, strengths, interests and resources. It should be sufficiently flexible to adapt to changing circumstances and permit renegotiations amongst concerned stakeholders whenever necessary in order to better co-ordinate the various financial education programmes and avoid unnecessary duplication.

1) Public authorities

All potentially relevant public stakeholders should be involved, to the extent possible, including ministries (and in particular the Ministries of Finance and Education), the Central Bank, the financial regulator(s) and supervisor(s), as well as other public national, regional and local authorities²⁶.

Depending on national circumstances, the involvement of public authorities should at least encompass:

- the preparation and establishment of the NS framework, in consultation with other stakeholders;
- the identification of overarching goals and national priorities for financial education; and,
- the design and/or promotion of effective and flexible regulation, guidance, quality standards, codes of conduct²⁷ and/or licensing in order to achieve these objectives through the provision of appropriate and high quality financial education programmes.

²⁵ For example, a steering committee, council, platform, board or an independent authority.

²⁶ Such as deposit guarantee scheme bodies.

²⁷ These should be based on international criteria such as those developed by the OECD/INFE.

The actions of public authorities should not substitute or duplicate existing efficient initiatives by non-public stakeholders, but rather strive to co-ordinate, facilitate, reinforce and ensure the quality of the actions of all stakeholders.

2) *Private sector and financial service providers*²⁸

Owing to the expertise and resources of market players and in particular financial institutions, their role in financial education and in the development of related NS should be promoted as a component of their social responsibility and good governance.

The private sector contribution to financial education should at the same time be monitored and guided in order to manage potential conflicts of interests. The involvement of national associations or self-regulatory bodies should be encouraged as well as the private sponsorship of public or civil society programmes. Dedicated national and/or international quality standards, charters and/or codes of conduct for the development and implementation of financial education programmes by the private sector should be developed; and their enforcement by private actors actively supported. More generally, the development of financial education programmes by the private sector should not involve the promotion and/or marketing of specific financial products or services.

The actions of private sector and financial service providers can take various forms including their involvement in the preparation and/or development of the NS framework, the implementation of financial education initiatives, the provision of dedicated material or training programmes, the participation in public-private partnerships, and support for public or civil society initiatives.

3) *Other civil society and international stakeholders*

Other partners, such as relevant nongovernmental organisations, trade unions, consumer associations, employers, media and other national disseminators (e.g. public servants) should also be involved in the NS framework development and/or its implementation.

International cooperation, including through the OECD and its INFE, should be further encouraged and used to promote the development of efficient NS.

IV - Roadmap of the national strategy: Key priorities, target audiences, impact assessment and resources

The NS framework should encompass the design of a tailored roadmap including an overall and cross-sectoral vision; realistic, measurable and time-bound objectives; and the definition of relevant policy priorities²⁹ and, where relevant, target audiences. It should also plan an overall impact assessment and identify appropriate resources.

The roadmap should be sufficiently flexible and take account of the dynamic context of the NS (including the political environment). It should be reconsidered regularly through research and analysis to ensure the continued relevance of its content.

A- Common defined objectives and policy priorities

The NS framework should define an overall and cross-sectoral vision and set general, realistic and measurable objectives and policy priorities for the NS in accordance with the findings of the preparatory phase and the circumstances of the country.

²⁸ In the framework of their commercial activities, financial service providers, their intermediaries and authorised agents have a responsibility to provide objective and timely information and advice to their customers as well as ensure the qualification and adequate training of their staff (especially those involved in the selling of financial products and interacting with customers) – see G20 High-level Principles on Financial Consumer Protection (2011) and OECD (2005) Recommendation for further guidance on financial service providers and authorised agents' role and responsibilities *vis-à-vis* consumers and their customers through their commercial activities.

²⁹ Where appropriate, more detailed OECD/INFE Recommendations on Principles, Guidelines and Good Practices as well as other relevant international work are referred to in the following subsections in order to provide particular guidance on specific contents of the NS Roadmap. Such guidance should be implemented taking into account countries' specific circumstances.

These objectives and policy priorities should preferably involve the design of a tailored roadmap of short-term and intermediate outputs, as well as anticipated longer-term outcomes and the setting of quantitative³⁰ and possibly qualitative targets for the overall NS and relevant policy priorities.

The roadmap should also contain a time schedule for the achievement of these objectives and relevant policy priorities.

Depending on national circumstances, policy priorities can include increased access to, and use of, appropriate financial services³¹, more suitable saving and investment, reduced indebtedness and more responsible credit³², improved level and quality of saving for retirement and related pension issues³³, as well as savvier decisions vis-à-vis risk and insurance³⁴.

B- Target audiences

The NS framework and its roadmap should recommend the introduction of financial education as early as possible in individuals' lives and preferably through its inclusion in the school curriculum.³⁵

Drawing on the results of the preparatory surveys, the framework should also indicate the main target audiences and priorities of the NS and, if relevant, a focus on particular vulnerable groups of the population.

In principle, a NS should aim to ensure that all segments of the population become financially literate. In practice and according to national circumstances and identified needs, this may mean targeting specific (vulnerable) groups with more intensive interventions or greater resources. Such groups³⁶ may include elderly populations, youth, migrants, low income groups, women³⁷, workers, the unemployed as well as communities speaking a different language and ethnic groups.

C- Overall impact assessment

Methods should be identified within the NS framework and its roadmap in order to assess the implementation of the NS and provide an overall measure of its impact.

Overall impact should preferably be assessed through the development of national financial literacy surveys planned at the beginning of the NS and conducted at regular intervals (e.g. 3 to 7 years).

These surveys can be carried out using various methods including the OECD/INFE dedicated methodology. These regular surveys can be coupled with the development of additional indicators aimed at monitoring the impact of policies and evolution of financial literacy skills and needs and qualitative surveys.

D- Resources

Financial and in-kind resources should ideally be earmarked for the development, implementation and evaluation of the NS, if not for the whole strategy, at least by each of the main stakeholders involved. This is particularly important if the roadmap defines some specific projects.

³⁰ Depending on policy priorities, these could include the level of financial access, indebtedness, saving - in particular for retirement-quality of investments, level of fraud, number and nature of consumers' claims, etc.

³¹ For Good Practices and more detailed information and guidance see notably the work of the Global Partnership for Financial Inclusion and the OECD/INFE subgroup on the role of financial education in financial inclusion.

³² See OECD (2009) Recommendation of the Council on Good Practices for Financial Education and Awareness relating to Credit.

³³ See OECD (2008) Recommendation of the Council on Good Practices for Financial Education relating to Private Pensions.

³⁴ See OECD (2008) Recommendation of the Council on Good Practices for Enhanced Risk Awareness and Education on Insurance Issues.

³⁵ See INFE (2012) Guidelines for Financial Education in Schools.

³⁶ Such vulnerable groups and in particular elderly population should also be protected by adequate financial consumer protection framework.

³⁷ For more detailed information on Empowering Women through Financial Education and Awareness, See Hung *et al* (2012) and OECD (2012), *Gender Equality in Education, Employment and Entrepreneurship: Final Report to the MCM 2012*, Chapter 2.6.

A combination of various public and private financial resources as well as funding through tailored partnerships should be considered. Financial contributions by the private sector to the NS should be actively encouraged.

Financial contributions by the private sector can include a levy on the industry, a voluntary contribution through financial and in-kind support to public and civil society financial education programmes, or through national associations or self-regulatory bodies.

V- Implementation of the national strategy: Delivery mechanisms and evaluation of programmes

The NS framework and its roadmap should ideally provide directions on the delivery, implementation and evaluation of dedicated financial education programmes.

Depending on countries circumstances, the development of the NS framework (sections II, III and IV) and its implementation may involve different parties, resources and timeframe.

A- Delivery methods, training and tools³⁸

The NS framework should preferably make general recommendations on the most efficient delivery methods and tools based on identified good practices and ongoing research.

These should include:

- the use of a wide and appropriate range of delivery methods and dissemination channels adapted to the circumstances of the population at large and those of targeted groups;
- the promotion of financial education on a regular basis to communities and throughout the lives of individuals ;
- the appropriate training of disseminators and providers of financial education; and,
- the development and promotion of tailored regulation, quality standards and codes of conduct by competent public authorities and their implementation by providers of financial education programmes.

B- Impact and process evaluation of programmes

The monitoring and impact evaluation of individual financial education programmes contributing to the overall NS should also be promoted actively and developed as part of each relevant programme. The use of already identified and available methods³⁹ should be recommended.

³⁸ See also Box 1.

³⁹ Such as those developed by the OECD/INFE and the World Bank.

Box 1: Further guidance on delivery methods, training and tools

The NS can also include the following guidance for the provision and delivery of financial education programmes:

- *The preferences and needs of target groups should be assessed in order to design, develop and evaluate tailored and adapted dissemination tools. These can include:*
 - *Wide and targeted public awareness campaigns to inform the public about the financial education needs of the population and important risk and financial issues; the development of these campaigns should be planned on a regular basis at a national and/or regional level.*
 - *Objective and interactive website(s) with online information and advice should be established and maintained preferably by public stakeholders. This can include comparisons of various types of financial products. This source of information should be widely publicised and appropriate incentives can be provided to consumers to encourage them to access and use it.*
 - *A range of other tools as appropriate including paper materials, workshops and training, and advice centres, etc.*
- *Particular attention should be paid to the quality and timing of the delivery of financial education:*
 - *Financial education provision should be as straightforward and engaging as possible and also include interactive tools and tips such as budgeting plans to help individuals make suitable financial decisions;*
 - *The development, use and evaluation of innovative tools aimed at influencing consumers' financial behaviours rather than improving their financial knowledge should also be promoted. These can encompass social marketing tools or the use of relevant findings of behavioural economics and psychological research; and,*
 - *Financial education should preferably be provided to individuals and or communities at “teachable moments” of their lives when they are making long term plans, when they need or are about to make important (financial) decisions (e.g. wedding, pregnancy, new job, divorce, retirement, unemployment etc) or when they are in an environment conducive to learning (such as school, adult education colleges, the workplace).*
- *The development and careful monitoring of programmes to train the persons providing financial education and/or programmes aimed at training and teaching potential future disseminators of financial education (e.g. the media, public servants, employees, etc) should be encouraged and promoted. This should help to enhance the effectiveness and reach of financial education initiatives.*
- *The development of financial education awards and, resources permitting, licensing and certification of programmes and providers can also be considered.*
- *Incentives can also be developed to encourage funding to support direct provision of financial education by non-profit organisations, educational institutions, as well as local or regional governments.*

ANNEX 3

OECD/INFE GUIDELINES FOR PRIVATE AND NOT-FOR-PROFIT STAKEHOLDERS IN FINANCIAL EDUCATION

Process

The Guidelines were developed by the OECD International Network on Financial Education (INFE), comprising now representatives from over 110 economies. The Guidelines are aimed at being disseminated and actively used by financial authorities and other stakeholders involved in financial education, which are also welcome to inform the OECD/INFE Secretariat of their use.

Following the endorsement by G20 Leaders in 2012 of the High-level Principles on National Strategies for Financial Education, these Guidelines are ultimately expected to be part of a policy handbook on the implementation of national strategies for financial education called for by G20 Leaders in 2013.

The draft Guidelines were prepared by the INFE, made available for public consultation between 18 November 2013 and 10 January 2014, and then revised based on comments received.⁴⁰

The Guidelines were approved by the OECD/INFE Technical Committee in May 2014 and by the OECD bodies responsible for financial education (the Committee on Financial Markets and the Insurance and Private Pensions Committee) in August 2014. The final version of the guidelines was included in a progress report on the implementation of national strategies for financial education transmitted to G20 Finance Ministers and Central Bank Governors at their meeting in Cairns in September 2014 and to G20 Leaders at their Brisbane Summit in November 2014.

Background

The growing relevance of financial education⁴¹ in recent years has been accompanied by an increasing involvement in financial education of a wide range of actors, including governments, regulators, financial institutions, not-for-profit organisations, and the civil society. The participation of diverse stakeholders with potentially diverging goals, interests, and approaches has highlighted the need to foster coordination in order to avoid duplication of efforts and resources while at the same time ensuring the relevance, quality and consistency of financial education initiatives.

The OECD/INFE started addressing these issues in 2010 by developing policy analysis on national strategies for financial education, which led to the OECD/INFE High-level Principles on National Strategies for Financial Education, endorsed by the G20 in June 2012. The joint Russia's G20 Presidency-OECD publication on *Advancing National*

⁴⁰ The Secretariat received replies and comments from the following institutions:

- Public authorities: Australian Securities and Investments Commission (ASIC); Austria Federal Ministry of Labour, Social Affairs and Consumer Protection (Bundesministerium für Arbeit, Soziales und Konsumentenschutz - BMASK); Brasil Central Bank (Banco Central do Brasil - BCB); New Zealand Commission for Financial Capability (CFFC); Guatemala's Superintendencia de Bancos (Superintendencia de Bancos de Guatemala – SIB).
- Not-for-profit organisations and industry associations: Association of Chartered Certified Accountants (ACCA); Aflatoun; Canadian Foundation for Economic Education (CFEE); Child and Youth Finance International (CYFI); European Banking Federation (EBF); European Fund and Asset Management Association (EFAMA); pfeG, UK; Massey University, Financial Education and Research Centre, New Zealand / Dr. Pushpa Wood; World Savings and Retail Banking Institute-European Savings and Retail Banking Group (WSBI-ESBG).
- Financial institutions: BBVA, Spain; and Intesa-Sanpaolo, Italy.

⁴¹ Financial education is defined by the OECD as “the process by which financial consumers/investors improve their understanding of financial products, concepts and risks and, through information, instruction and/or objective advice, develop the skills and confidence to become more aware of financial risks and opportunities, to make informed choices, to know where to go for help, and to take other effective actions to improve their financial well-being” (OECD, 2005).

Strategies for Financial Education provides further insights on recent developments in G20 economies and invited countries.

To deepen its work on national strategies, the OECD/INFE considered that further work was needed to address practical implementation issues through the development of a policy handbook on the implementation of national strategies for financial education, and of guidelines on private and not-for-profit stakeholders in financial education. The latter are particularly relevant to ensure that efforts of private and not-for-profit entities are appropriately coordinated, monitored and evaluated, and that conflicts of interest are adequately addressed.

The OECD and its INFE have already addressed issues relating to the involvement of private stakeholders, by clarifying the role of the private sector in particular through various policy instruments, including:

- the OECD Recommendation of the Council on Principles and Good Practices for Financial Education and Awareness (OECD, 2005);
- the OECD/INFE High-Level Principles on National Strategies for Financial Education (OECD/INFE, 2012);
- the INFE Guidelines for Financial Education in Schools and the guidance on learning frameworks on financial education (OECD, 2014).

Starting in 2012, the OECD/INFE pursued a specific stream of work on the involvement of private and not-for-profit entities in financial education by carrying out an international mapping of the involvement of private and not-for-profit stakeholders in financial education and of any related principles or codes of conduct.

Based on this mapping and on previous OECD/INFE policy instruments, the OECD/INFE developed the current Guidelines for Private and Not-for-profit Stakeholders in Financial Education (referred to as the Guidelines in what follows).

The Guidelines are, first, intended for public authorities who want to set a framework and define criteria for the involvement of private and not-for-profit stakeholders in national financial education strategies and programmes. They are also meant to be used by private and not-for-profit stakeholders involved in financial education to develop their own codes of conduct and guide their initiatives.

During the 12th INFE meeting held in Paris, France in October 2013, the Guidelines were approved for public consultation with OECD/INFE affiliates and observers, as well as other interested stakeholders. Sixteen institutions from the public, private and not-for-profit sectors participated in the public consultation from November 2013 to January 2014. This document was revised to address the relevant comments received. The Guidelines were approved by the OECD/INFE Technical Committee on 21 May 2014, and by the OECD bodies responsible for financial education (i.e., the Committee on Financial Markets and the Insurance and Private Pensions Committee) and were circulated to G20 Ministers of Finance and Leaders in 2014.

The Guidelines for Private and Not-for-profit Stakeholders in Financial Education contain the following parts:

- the scope of the Guidelines, including specifically a definition of the stakeholders addressed and of the modalities of their involvement (Section I);
- the Guidelines that relevant private and not-for-profit stakeholders should be encouraged to follow when involved in financial education policies and initiatives (Section II);
- compliance issues (Section III).

TEXT OF THE OECD/INFE GUIDELINES FOR PRIVATE AND NOT-FOR-PROFIT STAKEHOLDERS IN FINANCIAL EDUCATION

Introduction

The growing relevance of financial education in recent years has been accompanied by an increasing involvement in financial education of a wide range of actors, including financial institutions, not-for-profit organisations and the civil society, alongside governments and regulators. This engagement is particularly important for the implementation of national strategies for financial education and for the sustainability of long-term financial education initiatives.

The involvement of private and not-for-profit stakeholders follows different modalities within and across countries, as highlighted in the “Revised Mapping on the Involvement of Private and Not-for-profit Stakeholders in Financial Education and Related Codes of Conduct”, including:

- involvement in the design of the national strategy;
- involvement in the implementation of the national strategy, including through *ad hoc* bodies, public-private partnerships, and/or certification and accreditation systems;
- provision of financial support, though mandatory levies and voluntary contributions, in favour of public financial education bodies, strategies, and/or initiatives; and
- the implementation of financial education activities by financial institutions, financial industry associations, NGOs and other civil society associations with little co-ordination within a national framework.

The involvement of private and not-for-profit stakeholders in financial education is essential but poses a number of challenges:

- The involvement of the **private sector** in financial education can bring a number of benefits including the contribution of financial resources, specialist and up-to-date knowledge on financial issues, and efficient communication. Moreover, some financial sector stakeholders are well positioned to reach a wide audience, to exploit teachable moments related to key financial decisions, and to combine financial education with financial inclusion efforts. However, the involvement of private stakeholders in financial education may bring about potential shortcomings, including un-coordinated initiatives, duplication of efforts, lack of teaching experience and expertise, lack of programme evaluation, and a potentially inefficient use of resources. Moreover, the delivery of financial education as a business activity may lead to the use of financial education for commercial purposes. There is also a risk that private organisations are more prone than public and not-for-profit ones to targeting the most profitable and easy-to-reach clients, and to having a preferential focus on short-term views, initiatives and resources.
- Also the participation of **not-for-profit organisations** can bring a number of benefits. Not-for-profit organisations can be especially well-positioned to address hard-to-reach audiences and can have expertise in specific fields (e.g., pedagogical expertise). However, the involvement of not-for-profit organisations may also involve some shortcomings. Financial education initiatives of not-for-profit stakeholders, especially international ones, may lack coordination with other national initiatives, as well as rigorous evaluation. In addition, not all not-for-profit organisations possess an expertise in financial education and some may be tempted to manifest themselves as financial education providers only as a way to seek funding.

It is therefore important to recognise the nature of financial education as a public good, which benefits both consumers and financial institutions, and the need to develop financial education initiatives that are:

- *Coordinated/integrated* in the national framework. It should be preferably channelled through national strategies, partnerships involving different stakeholders, and/or national/international quality standards, certifications, accreditation systems, charters, and/or codes of conduct (whose use should be monitored).
- *Unbiased, fair, equitable, and of high-quality*, meaning that it should ensure that financial education is conducted in the interest of consumers; that it addresses all relevant segments of the population, especially vulnerable groups; and that its content is accurate and up-to-date.

- *Evaluated*, as a way to monitor whether resources are used efficiently and to ensure that feedback on programme effectiveness is circulated and shared among stakeholders.
- *Sustainable*, recognising that long term commitment is required by implementing bodies and that its results will be seen in the long term.

In this context, the following Guidelines define the scope, modalities, and key criteria for the involvement of private and not-for-profit stakeholders in financial education. As such they complement the OECD/INFE High-level Principles on National Strategies for Financial Education and the INFE Guidelines on Financial Education in Schools, which apply fully to areas of financial education not covered by these Guidelines. They also complement the relevant parts of the G20 High-level Principles on Financial Consumer Protection focusing on financial education, but do not address financial consumer protection issues, which are dealt with by the G20/OECD Task Force on Financial Consumer Protection.

I – Scope and definitions

The range of private and not-for-profit stakeholders with an interest in financial education is potentially vast and so is the nature of their activities. This section defines the scope of the Guidelines in terms of the stakeholders addressed and of their role in financial education.⁴²

Definition of stakeholders

The set of private and not-for-profit stakeholders with an interest in financial education is large and encompasses a wide range of diverse actors, including for-profit and not-for-profit stakeholders from financial and non-financial sectors. These Guidelines are applicable to all private and not-for-profit stakeholders with an interest in financial education, namely comprising:

- 1. For-profit institutions providing financial services:** e.g., banks and other financial institutions, including microfinance institutions, credit institutions, insurance companies, pension funds, stock exchanges, individual financial professionals/providers (including fund and asset managers), and other companies with a licence to provide financial services.
- 2. For-profit institutions delivering financial education as a business activity:** e.g., private service providers that are contracted out to carry out financial education on behalf of other public, private and not-for-profit institutions. This group also includes consultancy firms.
- 3. Non-financial for-profit institutions:** including non-financial companies (e.g. employers providing financial education in the workplace and/or financing financial education initiatives, media companies, etc.), as well as telecommunication companies involved in mobile banking (i.e. telecommunications companies whose network is used by financial institutions to provide financial services).
- 4. Not-for-profit organisations with links to the financial sector but no direct commercial interest:** e.g., industry associations (e.g., associations of banks, investment funds, insurance companies, pension funds, etc.) as well as financial institutions' foundations and financial ombudsmen.
- 5. Not-for-profit organisations with no direct link to the financial sector and with an interest in financial education:** non-governmental organisations (NGOs), consumers' associations, trade unions, research institutions, teachers' unions, parents' associations, etc.

⁴² These guidelines do not specifically cover the activities of financial services providers, their intermediaries and authorised agents in relation to the provision of financial information and advice to consumers of financial products and services in the course of their commercial activities. These activities are covered by G20 High-level Principles on Financial Consumer Protection (G20, 2011) and by the work of the OECD/G20 Task Force on Financial Consumer Protection on effective approaches to transparency and disclosure, responsible business conduct, and complaint handling and redress (G20/OECD Task Force on Financial Consumer Protection, 2013).

Modalities of involvement of private and not-for-profit stakeholders

The involvement and role of private and not-for-profit stakeholders can take various forms, and can include the following modalities and activities:⁴³

- the preparation and/or development of a national strategy framework in co-operation with public authorities;
- the implementation of a national strategy framework or other financial education initiatives, alone or in co-operation with other stakeholders (e.g., from the public, private, and not-for-profit sectors);
- the participation in public-private partnerships (PPPs). PPPs can also take place outside of the scope of / in the absence of a national strategy (where private and not-for-profit stakeholders may have different roles and can be involved to varying degrees, including the definition of objectives, the implementation of initiatives, and the provision of funding);
- the support by the private sector of national and international public and not-for-profit bodies, initiatives, and research through mandatory or voluntary contributions, in the form of financial resources or in kind;
- the preparation of dedicated financial education material and resources, including teaching and training material; and the delivery of training programmes, face-to-face or using a variety of media (television, radio, websites, etc.);
- the organisation of awareness/sensitisation campaigns, conferences, forums, and related events, including contests and annual financial literacy days/weeks; the professional development of teachers delivering financial education in schools, and the training of trainers delivering financial education outside schools; and
- the monitoring and evaluation of financial education programmes, and similar activities that contribute to enhancing the knowledge base of effective financial education initiatives.

II – Guidelines

Private and not-for-profit stakeholders should be encouraged, in accordance with the regional, national and global context, to reduce to a minimum potential shortcomings related to their participation in financial education activities. These include lack of coordination, duplication of efforts, inefficient use of resources, lack of fairness in the extent of outreach, as well as potential conflicts between commercial and educational activities. In order to ensure that their participation is appropriate, private and not-for-profit stakeholders should adhere to a number of guidelines in the design and implementation of financial education initiatives.

In addressing these potential shortcomings, it should be recognised that some population subgroups are particularly vulnerable to financial abuse and may not be able to fully distinguish commercial from educational purposes, also due to low financial literacy. Depending on national circumstances vulnerable group may include young people, people with special education needs, elderly, women, and/or migrants. Vulnerable groups should be particularly protected in the application of these Guidelines.⁴⁴

A) Framework for the involvement of private and not-for-profit stakeholders in financial education policies and initiatives

1. Co-ordination between public, private and not-for-profit stakeholders

In order to maximise the benefit to consumers, to avoid the duplication of efforts, and to ensure fair and adequate outreach, financial education initiatives by private and not-for-profit stakeholders should be mapped and integrated into any existing national strategy for financial education or other coordinated policy framework at the national, state or regional level. If such a framework does not exist yet, private and not-for-

⁴³ The OECD/INFE High-Level Principles on National Strategies for Financial Education mention the role of various stakeholders in the design and implementation of national strategies for financial education, including that of the private sector and financial service providers, the civil society and other international stakeholders (OECD/INFE, 2012).

⁴⁴ See also the OECD/INFE Policy Guidance on Financial Empowerment for Vulnerable Groups.

profit stakeholders should be encouraged to participate in the design of a national strategy, and/or to co-ordinate among themselves if a national strategy is not planned.⁴⁵

Co-ordination among stakeholders through partnerships, working groups and other fora should preferably be carried by a leading public authority or body, which should also establish from the outset the roles and responsibilities of private and not-for-profit stakeholders.⁴⁶

Whenever private and not-for-profit stakeholders are involved in the design and delivery of financial education in schools, co-ordination with the national school curriculum and/or education policies should also be ensured.⁴⁷

2. Managing potential conflicts of interest and other shortcomings

The involvement of private and not-for-profit stakeholders should be designed in such a way to enhance its efficiency and outreach, and to identify and address, to the extent possible, potential conflicts of interest that can arise when institutions with a commercial interest are involved in financial education.

Potential shortcomings can be addressed through the following (non-mutually exclusive) channels:

- a. **Support for public strategies and initiatives.** The involvement of private and not-for-profit stakeholders through the financial and in-kind support of national strategies and initiatives should be encouraged and disclosed, but not as a means of direct marketing/advertising.
- b. **Indirect involvement of financial institutions.** Whenever possible, the involvement of financial for-profit institutions should preferably be carried out within the framework of the financial education activities of the relevant national industry association or self-regulatory body, which should also be the promoting entity.
- c. **Development of, and compliance with, codes of conduct.** Private and not-for-profit stakeholders should be encouraged to participate in national strategies for financial education and/or other nationally coordinated financial education initiatives through specific codes of conduct or guidelines detailing the scope, modalities, and criteria for the involvement of private and not-for-profit stakeholders. Such codes of conduct should be developed in coordination with the interested private and not-for-profit stakeholders following the key criteria detailed in Section II.B.
- d. **Distinction between commercial and educational activities.** Direct involvement of private and not-for-profit stakeholders in financial education initiatives should be designed and developed so as to make sure that educational activities can be clearly distinguished from commercial/marketing activities.⁴⁸ Consumers' interests should be given priority, in particular ensuring that:
 - i. Financial providers refrain from using educational initiatives to promote their own products and services and/or to criticise the products of their competitors;
 - ii. Conflicts of interest of organisations and individuals in carrying out awareness, communication, and financial education activities are disclosed and managed; and,
 - iii. Educational resources are distinguished from commercial material.

⁴⁵ See the OECD/INFE High-level Principles on National Strategies for Financial Education (OECD/INFE, 2012) about any aspect related to governance mechanisms and the role of main stakeholders in a national strategy not covered in these Guidelines.

⁴⁶ The OECD/INFE High-level Principles on National Strategies for Financial Education state that “the national strategy framework should involve cross-sectoral co-ordination at a national level of the various stakeholders known to be competent and interested in financial education”. They also recommend that “the national strategy should preferably be initiated, developed and monitored by a widely credible and unbiased leading authority or governing mechanism” (OECD/INFE, 2012).

⁴⁷ See the INFE Guidelines on Financial Education in Schools (OECD, 2014) about any aspect related to the involvement of private and not-for-profit stakeholders in the delivery of financial education in schools not covered in these Guidelines.

⁴⁸ The OECD/INFE High-level Principles on National Strategies for Financial Education state that “the development of financial education programmes by the private sector should not involve the promotion and/or marketing of specific financial products or services” (OECD/INFE, 2012).

B) Key criteria for the involvement of private and not-for-profit stakeholders in the implementation of financial education initiatives

The implementation of financial education initiatives by private and not-for-profit stakeholders should follow a number of key criteria. Compliance with these key criteria should be monitored appropriately (see Section III).

1. Objectivity

The content and format of any material and physical environments (e.g. locations dedicated to financial education delivery, such as learning centres, museums, etc.) used for financial education training and awareness initiatives that is developed, promoted or used by private and not-for-profit stakeholders should be balanced, impartial, unbiased, and not linked to their commercial priorities. In particular, materials should not be specific to a given product or provider. Any branding, logo, or reference to a financial institution should be kept to a minimum and within limits agreed in advance and in accordance with national circumstances.

Similarly, staff and representatives of private stakeholders participating in financial education delivery should not carry out marketing activities on behalf of their organisation.

While the objectivity criterion is important for all financial education programmes developed by any stakeholder, it is particularly important that it is followed by financial sector stakeholders, as a means to ensure an appropriate distinction between educational and commercial activities, and to reinforce the credibility of the initiative.

2. Quality of resources and trainers

Financial education materials and programmes should be developed in the interest of consumers and learners and of addressing their needs. They should also make reference to financial consumers' rights and responsibilities as appropriate.

All information, awareness and education **resources**, including those developed, promoted or used by private and not-for-profit stakeholders should be:

- a. **tailored** to national and local contexts, including social, economic, cultural and linguistic circumstances;
- b. **appropriate** to the target audience's level of literacy, numeracy, financial knowledge, technological ability, learning styles and preferences; they should especially avoid technical jargon unless appropriate to the audience;
- c. **fair** in addressing all relevant population segments (for instance in terms of gender, age, social background, culture, ability, and any additional factor depending on national/local circumstances and needs);
- d. **accurate**, complete, up-to-date and of high quality; as well as
- e. **easily accessible** to individuals.

When staff members of private and not-for-profit stakeholders act as financial literacy **trainers**, they should:

- a. be trained and/or qualified in order to have adequate subject knowledge and confidence to teach financial literacy topics;
- b. have adequate teaching skills to address the target audience, especially in the case of children and young people (within or outside schools); and

- c. conduct any direct intervention in the classroom under the oversight of and in collaboration with the school teaching/management staff.⁴⁹

3. Monitoring and evaluation⁵⁰

As for all other financial education programmes, the design of financial education initiatives involving private and not-for-profit stakeholders should preferably include:

- d. a pilot/trial phase of the financial education programmes and related resources, before they are scaled up to the full audience of interest; and
- e. rigorous and independent monitoring (process evaluation) and impact evaluation. These should be included in the programme design from the beginning to assess to what extent the programme meets participants' needs and programme objectives.⁵¹ Evaluation results should be shared publicly, or at least among the relevant stakeholders, to allow a wider audience to benefit from feedback on programme effectiveness.

In developing such impact assessments, stakeholders should refer for guidance to the INFE High-level Principles for the Evaluation of Financial Education Programmes and the related practical guides.⁵²

III – Compliance issues

Public authorities responsible for coordinating national financial education strategies and/or other nationally coordinated frameworks should consider, resources permitting and given countries' legal framework, the creation of awards, accreditation, certification, and licensing systems of programmes and providers. These should establish the criteria and the modalities under which private and not-for-profit stakeholders can deliver financial education, based on the guidelines and key criteria detailed in Section II.

More generally, public authorities responsible for coordinating national financial education policies should be encouraged to develop and implement monitoring and compliance mechanisms to ensure that private and not-for-profit stakeholders involved in financial education are accountable and comply with national codes of conduct and/or these international Guidelines.

⁴⁹ See also the INFE Guidelines on Financial Education in Schools, Box 2 (OECD, 2014).

⁵⁰ See the INFE High-level Principles for the Evaluation of Financial Education Programmes (OECD/INFE, 2012).

⁵¹ The OECD Recommendation on Principles and Good Practices for Financial Education and Awareness states that "Financial education provided by financial institutions should be regularly assessed to ensure it meets consumer needs. This may be achieved through partnerships with independent, not-for-profit financial advisory bodies that may have better connection with consumers, particularly those facing disadvantage in their participation in financial markets (OECD, 2005, para 17)".

⁵² www.oecd.org/daf/fin/financial-education/evaluatingfinancialeducationprogrammes.htm

Within a fast evolving financial landscape where access to financial services is made easier while more risks are being transferred to citizens, financial literacy has become a key life skill for individuals as well as micro and small businesses. Financial education can help enhance financial literacy by increasing financial knowledge, skills and attitudes. In turn, this can contribute to individuals' (including vulnerable and low income) participation in financial, economic and social life as well as to their financial well-being. As a complement to financial inclusion and financial consumer protection, financial education is also important to restore confidence and trust in financial markets, and can support financial stability.

Today, 59 economies worldwide are implementing national strategies using guidance from the OECD/INFE High-level Principles on National Strategies for Financial Education. The Policy Handbook describes the experiences of these economies and addresses challenges that countries have faced in implementing the Principles.

www.oecd.org/daf

