Towards a European Policy for Financial Education

By

Mónica Sofia Couto Pedro

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Advised by:

Professora Doutora Cláudia Ribeiro

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Biographic Note

Mónica Sofia Couto Pedro was born on May 11th 1984, in Oporto.

After studying socioeconomic Sciences at high school and finishing with an average of 17 in 2002 she started her degree in Economics at the Faculty of Economics in Oporto graduating in 2007 (pre-Bologna) with an average mark of 12. Among several activities pursued she had the opportunity to study in Spain as part of the ERASMUS programme at Universidad de la Coruña.

In the same year she started working in an investment bank (Banco BEST) and then as business manager in a publishing company. During that period, she worked in a wide range of fields from corporate finance to marketing and decided to apply for a post-graduate diploma in Corporate Management at Porto Business School. She finished the course in 2010 with an average of 16.

2013 was a year marked by several changes. Among them she started to work as financial controller at a highly innovative technology start-up and after the cumulative experience of the previous years she decided to apply for the master’s programme in Finance at the University of Porto. The goal was to acquire more academic knowledge in the area she most likes: corporate finance.
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Abstract

Financial education has been on the public agenda of several countries and especially of a number of world institutions, such as the OECD – Organization for Economic Co-Operation and Development. Several OECD publications, as well as those of IOSCO – International Organization of Securities Commissions - underline the importance of financial education and literacy as stabilizers in the financial markets. The financial markets are becoming ever more complex and these organizations recognize that this implies that governments should create the necessary tools for citizens to gain access to the necessary information to make more aware decisions. Reports and papers show very different levels of development in terms of financial literacy across European countries. And the level of financial literacy impacts on the individual’s welfare as well as the subsistence of the Social Security System.

This study intends to define the guidelines for a European Financial Education Policy by comparing the national programmes and policies of five countries and discuss their effects and critical factors. In addition, it aims to identify the national and European bodies able to lead the implementation of such a policy, as well as describe the current context of each European member’s financial education strategy. Finally, we intend to provide recommendations for national and international organizations and alert them to the potential impact of simply ignoring the possible consequences.

By analyzing the information available on the policy (if) implemented by each European member it is possible to conclude in favour of an evident heterogeneity among European members. This allows us to formulate a guide of the best practices they must follow to define, implement and monitor a national strategy. This guide configures a European framework, common to all European members, coordinated at the European level. Thus, we hope that this study can provide relevant information to enable stakeholders to recognize the impact on the financial sustainability of the countries involved, as well as motivate them to look at this area as a national and international challenge. Above all, financial education is synonymous to financial inclusion.

**Key words:** financial literacy, financial education policy, financial inclusion, the individual’s welfare, national sustainability.

**JEL Codes:** D14, D31, I22
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1 Introduction

Financial education has taken an increasing interest in political agendas and in the agendas of national regulators and international institutions. Furthermore, citizens have to make daily decisions of a financial nature of increasing complexity. It is therefore crucial to develop financial education programmes that empower citizens with the necessary knowledge for informed decision-making and responsible behaviour adoption and thus contribute to improving their financial well-being.

International organizations such as OECD and IOSCO recognize the importance of financial literacy and financial education. The OECD’s Secretary-General, Angel Gurría, emphasises that “Financial education is critical to restore trust and confidence in the financial system, promote financial stability and provide the necessary public backing to financial reforms.” (OECD, 2013).

In fact, OECD and IOSCO have been playing a crucial role in the promotion of financial education.

OECD has leading the strategy since the beginning by promoting the development of national financial education programmes among country-states. In 2010, the OECD created an Expert Subgroup dedicated to financial education to help countries set up their strategy by defining principles (OECD, 2012a) and guidelines (OECD, 2005).

IOSCO gives such importance to the theme that it created the Education and Training Team (E&T) and the investor education portal with diversified information. In 2014, IOSCO emphasized its goal of promoting investor education workshops as well as research in this area and creating more forums to share “good practices” (OICU-IOSCO, 2014).

During the last decade, there was an increasing number of countries following the OECD’s recommendations with respect to Financial Education.

According to OECD’s surveys, the number of countries to implement a strategy has markedly increased over the past three years (in 2011 it was only 26 countries compared with the 45 registered two years later), from both the emerging and developed worlds (OECD, 2013). That report mentioned this trend started in 2000 mainly in developed
countries. There are several reasons that can justify the rapid growth in the number of such countries and one of them is the appearance of financial education on the agendas of regional organizations and G20 governments, being reinforced by OECD’s publications (OECD, 2005, 2011a, 2012a). In 2012, the leaders of the G20 committed to taking effective action to implement financial education in their countries, and defined the main principles their national strategies should follow.

In European Union the development level among member states is very different in terms of financial literacy levels but also in terms of the development of financial education national programmes. Strategies have been implemented in countries with very different stages of economic and social development and the fact that some countries are developed does not guarantee that they are aware of or recognize the importance of this issue (OECD, 2013).

At a European institutional level there already is a sensitivity to the theme and there already are implemented initiatives. For example: The European Money Week. It is necessary to widespread the existing initiatives and generalize the financial education programmes to all member states.

The issue is so critical that it is urgent the definition at a European level of financial education development policies directed to the entire population.

Therefore, it is objective of this work to draw up a White Book for Financial Education that provides guidelines for a common European policy in this area. To do this we analysis five case studies of national programmes and policies, which for its success awarded prizes by the Child & Youth Finance International (CYFI)1. This analysis highlighted the key factors for successful Financial Literacy Policies and Financial Education National Programs.

In order to provide recommendations for a common framework to EU members, it is necessary to be aware of the different development stages each member state is in. Therefore, it is made an analysis of the extant Financial Education initiatives across EU members. This analysis sets the basis for the definition of a successful common strategy. The main objective is to identify the key success factors for the implementation of

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Financial Education national programs across EU members and the best EU framework to promote it.

The study uses information from OECD and the National Supervisory bodies as sources of data related to the financial education programmes of the countries at stake, identifying the duration of the programmes, targets and main goals and, if possible, the outputs and preliminary results of the policies. The study takes into account the social, economic and cultural contexts of the different cases under analysis, as the success of the programmes will depend on their ability to adjust for these differences. The study also considers the OECD’s recommendations and principles for financial education national programmes in OECD (2005, 2012a).

The report is organized as follows: Section 2 reviews the relevance of financial literacy and education, the international recognition of its importance and the current European context. Section 3 describes the methodology used in the study, details the varied dimensions of the analysis and explains the steps for the implementation of the methodology: analysis of successful worldwide cases, analysis of EU members national programmes and recommendations. Section 4 analysis the successful case studies and identifies the key factors in their success. Section 5 presents an overview of the financial education policies adopted among the EU members, starting with a demonstration of the existing heterogeneity. Thereupon, the 28 EU members experiences are analysed and grouped into pioneer countries, follower countries and countries that have not yet implemented any strategy. Section 6 describes the recommendations on the best practices for defining, implementing and monitoring a national strategy, highlighting the importance of involving European organisations. These are guidelines that must be followed by European countries in their progress towards a successful European financial education policy. Finally, section 7 concludes.
2 Literature Review – Financial Education: Why?

In this section, we are going to present the most relevant aspects of the extant literature with respect to our research topic. The chapter is divided into the follow aspects: definition and determinants of financial literacy; definition and relevance of financial education and a study about national programmes of financial education.

2.1 Financial Literacy: Definition, evidence and determinants

In a context where citizens face the need of taking more complex financial decisions such as manage bank accounts, contract debt and credit cards, tax impact on their wealth, contract a mortgage, manage their savings, deal with even more complex financial products and where patterns of retirement have changed, more recent generations have started to face the need to decide how much they should save and where to invest. Previous generations did not take such decisions; their only decision being when to claim their retirement pension from the Social Security Services. They knew they would receive a pension so they did not feel they should save. Nowadays this does not happen anymore.

The decision taken by citizens reflects their level of financial literacy. This notion was first introduced by JumpStart in 1997 and since then other authors have suggested alternative definitions such as Hastings et al. (2012). However, the most comprehensive definition, and the one used by OECD is due to Atkinson and Messy (2012) for whom financial literacy is the “combination of financial awareness, knowledge, skills, attitude and behaviours necessary to make sound financial decisions and ultimately achieve individual financial wellbeing”. The present study uses this definition.

In order to assess the financial literacy levels, several studies such as Lusardi and Mitchell (2011), Agnew et al. (2012), Arrondel et al. (2012) and Hastings and Tejeda-Ashton (2008) were carried out in various geographical areas and to different age groups. All of them show evidence of low levels of financial literacy even in developed markets, such as in Germany, France, The Netherlands, Sweden, Italy, Japan and New Zealand and Australia. This is a common worried problem in the undeveloped and developing countries. Other studies such as OECD (2005) and Atkinson and Messy (2012) obtained
the same conclusions for different world regions. Based on the surveys we got some common factors among countries:

- People recognize some concepts and understand their meaning if their country has recent experience of the phenomenon, e.g.: inflation (in Italy, contrary to Japan, facing deflation) (Lusardi and Mitchell, 2013);

- People have difficulty in answering about risk diversification, although this is not influenced by the level of development of their country’s financial markets: “in USA 34% of respondents state they do not know the answer to the risk diversification question, while in Germany 32% and in the Netherlands 33% do so” (Lusardi and Mitchell, 2013). Yet, in Sweden, where a part of its national Social Security system is privatized, only 18% answered “do not know” (Lusardi and Mitchell, 2013);

- Self-evaluation of financial knowledge: despite the fact that illiteracy was higher, most of the interviewees were overconfident about their knowledge, i.e., they overestimated their financial literacy. Evidence comes from USA (Lusardi and Mitchell, 2011), Germany and The Netherlands (Bucher-Koenen and Lusardi, 2011; Rooij et al., 2011);

- An individual who prepares a retirement plan is more likely to save more (Lusardi, 1999). In a survey carried out in 1992 in the USA, those who thought more about retirement had double the wealth compared with those who did not (Lusardi, 1999). The same conclusion was later reinforced by Lusardi and Beeler (2007) and Lusardi and Mitchell (2011). However, on average, workers do not plan for their retirement, which seems to be influenced by the level of financial literacy (Lusardi and Mitchell, 2011) because of the greater difficulty in managing and saving money as well as working out a retirement plan. So, financial education programs can help improve savings and financial decision-making (Lusardi, 2008);

- Countries that are good at maths obtain good results in numeracy questions (Lusardi and Mitchell, 2011; OECD, 2005).

The previous studies, based in different geographical regions, show the low level of financial literacy and that it has a huge impact on retirement plans as well as on the level of wealth of each individual. Additionally, an individual with a higher knowledge of
financial concepts is more likely to define their plan, to invest in stock markets and create a more diversified portfolio, as “they better understand the principle of risk diversification” (Christelis et al., 2010; Rooij et al., 2011). So, it is important to show the factors that influence the level of financial literacy:

- Age and sex: Evidence (Lusardi and Mitchell, 2013) suggests that financial literacy is lower in younger and older groups, and even lower in women.
- Education level: educational level seems to be strongly correlated with financial knowledge (Christelis et al., 2010). However, “substantial heterogeneity in financial literacy remains even after controlling on cognitive factors” (Lusardi et al., 2010). So education is not a good proxy for financial literacy (Lusardi and Mitchell, 2011).
- Work status: financial literacy is higher in those who work (Lusardi and Mitchell, 2011).
- Other characteristics: urban versus rural regions, ethnic and religious groupings (Lusardi and Mitchell, 2011).

So, there is some common factors among developed and non-developed countries, which must be considered at the time of defining the national strategy.

2.2 Financial Education: Definition and relevance

Following the previous point, it is evident that the levels of financial literacy only can be influenced through financial education. The methods and tools to develop a financial education policy in Europe is the object of the present work.

According to OECD (2005), financial education is “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”.

Considering the low levels of financial literacy most countries face, it is important to acknowledge the consequences already reported in several empirical studies in terms of
the financial wellbeing of the population. This evidence also supports the relevance of developing effective financial literacy policies in order to revert the situation. Financial literacy “can explain more than half the wealth inequality observed in USA data” (Lusardi et al., 2013). In The Netherlands Rooij et al. (2011) “estimate that being in the 75th versus the 25th percentile of the financial literacy index equals around €80,000 in terms of differential net worth (i.e., roughly 3.5 times the net disposable income of a median Dutch household)”. The different studies analyse the impact in different population’s subgroups:

- **Consumers**: losses may appear from liability management. Studying USA consumers Campbell (2006) pointed out that suboptimal refinancing represents a higher mortgage interest rate of 0.5%-1%, around $50-$100 billion per year. So, Campbell (2006) defends that “the least financially savvy will be least likely to refinance their mortgages”. On the other hand, individuals only need extra funds two or three times a year and with lower values, so considering the interest rate on loans it would be better if they used the credit cards they already had (Lusardi and Scheresberg, 2012). However, individuals with lower financial literacy tend to choose loans (Agarwal et al., 2009a). Regarding other debt instruments, Lusardi and Tufano (2009) suggested that, despite the fact that only 29% of consumers with low financial literacy have credit cards, they represent 42% of total charges. As Lusardi and Tufano (2009) mentioned “the average fees paid by those with low knowledge are 50% higher than those paid by the average cardholder”, where one of the fees is “incremental charges linked to low financial literacy”;

- **Investors**: One of the main pieces of evidence is the fees investors pay. French (2008) estimates that in USA it can represent around $100 billion per year. Most of them are paid as a result of an active strategy to constantly beat the market without having enough knowledge about stock markets resulting in higher investment trading costs and other expenses. A negative impact on equity returns also results from a low diversification: Calvet et al. (2007) found that the average Swede faces “an annual return loss of 2.9% on risky portfolios, or 0.5% of household disposable income”. Additionally, these authors also show that one in 10 investors face even higher losses (4.5% of their income). Additionally, several studies show that there is a strong correlation between financial literacy and
investment in lower cost funds, underlining the importance of literacy (Hastings and Mitchell, 2011; Hastings et al., 2010; Hastings and Tejeda-Ashton, 2008). Based on this, losses arise from savings and investments. Hence, higher levels of financial literacy ensure that a common investor take more informed decisions in accordance with their risk profile. This will ensure higher returns. This idea was underlined by Gerardi et al. (2010) conclusion: investors with higher numerical skills had 20% less probability of defaulting in the subprime era. Thus, better informed economic players will be able to better manage their wealth, improve their returns and take better financial decisions.

- **Retirees:** According to Laibson (2011), on average, people over 65 years hold more than $18 trillion in wealth. Retirees have some particularities that should be considered in a financial context: they need to bear in mind their medical expenditures, their average life expectancy (and period to invest), pension income and other factors. In terms of the period to invest: they cannot invest for a long-period given that now they only receive their pension and also need to consider their longevity risk protection in retirement (Lusardi and Mitchell, 2013). Additionally, Agarwal et al. (2009a) were able to show that elderly people pay more than the middle-aged for 10 financial products (e.g. credit cards, balance transfer, loans, mortgages). So, Lusardi and Mitchell (2013) suggested that “financial literacy appears to be highly influential in helping older households equip themselves with longevity risk protection in retirement.”

For these reasons, implementing a financial education program will allow policymakers to protect populations and reduce the risk for National Social Security Systems.

### 2.3 National Programmes: Guidelines from international institutions

There are publications with principles, guidelines and good practices about defining, implementing and monitoring a financial education programme (European Commission, 2007b; OECD, 2005, 2011a, 2011b, 2012a, 2012b, 2015a; OICU-IOSCO, 2013). Those publications were prepared by the international institutions OECD, IOSCO and European Commission, which are playing a key role around the theme by also promoting several initiatives such as conferences to promote the exchange of experiences between
international and national leaders, monitor countries’ steps and provide individuals with more information.

Based on a survey conducted in 2007 (Habschick et al., 2007) to assess the level of financial literacy in the EU27, the European Commission defined principles to help national stakeholders in the definition of financial education programmes. In light of the report, “in its 2012 Consumer Agenda, the European Commission identified better consumer education, and in particular financial education, as a key objective” (OECD, 2013). Additionally, European Union (EU) legislation also takes into account consumer information and protection, one example being the Directives on Consumer Credit (2014/17/EU).

OECD involves around 100 countries and has been developing a network on financial education (INFE). In fact, OECD has been one of the most active player by publishing several documents such as the “high-principles on national strategies for financial education” (OECD, 2012b), recommendations about good practices relating to a specific target (OECD, 2005, 2008a, 2008b, 2009) as well as guidelines for financial education in schools (2012b) and on the evaluation of financial education programmes (OECD, 2011b). One of the most relevant document was the report about the national strategies among OECD countries (2013) where it is possible to learn from others experiences and realized the “state of the art”. They also promote several studies focusing in a specific target such as the study about the financial knowledge of students of about 15 years of age in the participating countries (2012b), as part of its Program for International Student Assessment (PISA). Some of those countries are European members. With this, the OECD was able to introduce this variable to be studied and recognized it as an essential skill, at the same level as reading, maths or science. Now in 2015 they are repeating the study in all countries that want to be involved, including some European members that will participate for the first time.

In addition, IOSCO also has a very relevant role targeting investors and financial products consumers. In 2013, IOSCO published an internal report entitled “Report on Investor Education Initiatives Relating to Investment Services”, which shows different approaches to the policy of investor education (OICU-IOSCO, 2013). The importance given to the theme is such that IOSCO created the Education and Training Team (E&T). “Regulators
should play an active role in the education of investors and other market participants” according to the third IOSCO principle of Securities Regulation. Based on this, IOSCO created the investor education portal where it is possible to find manuals and other materials for each population’s target.

Based on the principles, guidelines and good practices published by the institutions mentioned above, the national programmes should follow a common framework:

- Diagnosis of national context and existing initiatives;
- Definition of action plan, target(s), delivery channels and funding resources;
- Corporate governance: stakeholders’ mandates and structure;
- Monitoring and evaluating the national strategy.

These topics are the ones in which the present study also focus.

One of the main steps are the evaluation of the initial context and monitoring the results of the strategy implemented as it will determine the priorities of the national strategy as well as its main target(s). OECD (2012b) defends that “Programme monitoring and evaluation is essential in order to be certain that a programme is effective, to identify areas for improvement and to check that the initiative makes good use of resources”. So, their internal mechanism – INFE (International Network on Financial Education) – launched the “principles for the evaluation of financial education programmes” (OECD, 2012b).

According with those international institutions the country should follow international measures. Even World Bank and other financial institutions developed guidelines about how to implement a survey, which criteria, sample and methodologies should be used in order to obtain a comparative result. OECD (2011b) provided a guidance and questionnaire for comparable surveys in financial literacy matters and more recently OECD (2015a) launched a “toolkit for measuring financial literacy and financial inclusion” that all countries may follow. There they detailed information and also a questionnaire. OECD (2015a) recommends that all countries follow this toolkit in order to get comparable results and learn from others results. OECD and the other institutions defend a progressive monitoring of the strategy and the implementation of small
questionnaires at the end of each initiative to allow the country to immediately make the necessary adjustments (OECD, 2013).

According to reports, the OECD/INFE is also preparing a handbook on this policy that will be presented and submitted to the G20 during the present year, 2015 (OECD, 2015b).

Reporting the European situation it is possible to find a few national strategies with different profiles and in different stages of implementation of a financial education policy. There are cases where a financial education strategy is well defined and coordinated between several stakeholders (The Netherlands, Portugal, Spain) whereas countries such as Italy and France does not have a national strategy and the initiatives implemented are not coordinated. According to OECD’s report (2013), even among European countries that have implemented a financial education policy it is possible to find several different strategies. One of the main reasons is the target defined by each European member. In the chapter “Financial Education in Europe” we analyse in detail the available information on each nation.

There is enough evidence to conclude that there is much progress to be made regarding financial education. The present paper aims to study national programs, analyse successful case studies worldwide in order to identify the best practices in this area and suggest the main characteristics for a successful European Common Policy on Financial Literacy.

The analysis is focussed on the following questions:

I. What are the key success factors of a financial education national programme?
II. What should be the characteristics of an European Common Policy Financial Literacy?
III. Which European organizations should be leading the implementation of such policy and who should be the local partners?
IV. Which target-groups should be given priority (children, retirees, young people, investors, financial commercial teams)?
V. Which channels should be used (financial literacy in schools, workshops)?

In the following section, we present the methodology used to suggest the answers to these questions. For the analysis we have used information taken from international reports and other international organizations and individual countries.
3 Methodology

The study will be composed of three phases: the analysis of successful case studies, the characterization of the current situation of the development of national programmes among European Members and, finally, the proposal of recommendations for a common European Policy about financial literacy.

The first part will focus on the analyses of the National Financial Education Programmes of five successful cases aiming the identification of good practices that ensure the success. The cases won the prize Country Award, awarded by the CYFI in 2014.

CYFI is an international institution concerned with children’s safety that promotes financial education since the first stages of life as a way to contribute to their safety. Following this they created the mentioned award.

The analysis of the five case studies focuses on few common dimensions:

- The beginning of the program (design and implementation);
- The socio-economic and cultural context of the country at stake;
- The methodology to assess the national needs in terms of financial literacy and the existing initiatives;
- The leading organization(s) of the programme and partner institutions;
- The main goals and milestones of the programme;
- The target-groups and the criteria for selecting them;
- The main delivery channels of the programme;
- The sources of funding of the programme;
- The assessment methodologies of the progress and effectiveness of the programme.

This analysis has highlighted the key success factors and identified the best practices that should inspire any financial literacy programme.

The second part of the study analyses the current state of development of the Financial Education programmes in every EU member states: it is recognised that before defining a policy we should know the situation as it stands.
This study was based on the most recent OECD (2013) report on financial education, the national reports and surveys of financial literacy levels, the information on official websites of the national leading organizations and information directly made available by these institutions on request.

The member states were divided into three main groups according to the stage of development: leading countries in national education strategy, followers and countries without a national strategy. The analysis was based on the same dimensions as in part one.

In this part of the study we will also assess a few international initiatives, which have influenced some European action plans.

The third part proposes the guidelines for a European Common Police for Financial Education Policy based on the previous analysis and on the extant guidelines for national programmes due to OECD (2005, 2012a) and EC (2007a). These guidelines will address all the dimensions analysed in the preceding parts and include specific initiatives that could be included in possible action plans. These guidelines are adjusted in accordance to the development stage each country is in.
4 Successful Case Studies

This chapter aims to present the programmes awarded in 2014 with the country prize for having the best financial education programs by the Child and Youth Finance International (CYFI).

These countries have in common the importance they give to an inclusive financial education policy. They all recognize that higher levels of financial literacy ensure financial market stability and national growth. Indeed, they believe that by involving different market players they will be able to implement a national strategy and obtain results in the time expected. By introducing these case studies, we believe it will be easier to understand how urgent it is to make adaptations to the European context in order to guarantee an effective successful European policy. Moreover, this will motivate more and more countries to rise to the challenge, which has an impact at the international as well as the national level.

These countries have completely different socio-economic and cultural contexts. However, all of them recognize the importance of empowering their consumers with relevant financial knowledge. The improvement of financial literacy is assumed to be a major priority.

This chapter intends to emphasise that, independent of the country’s context, it is possible to implement an effective policy and monitor it constantly. In a context where financial markets are becoming more and more complex, where access to them is at a distance of a click on websites and where investors are constantly being bombarded with diverse information from different sources, it is urgent to enable them with the adequate background to make sound and informed decisions.

In light of this, we present each programme in order to understand the differences between them and to identify the common key successful factors and the best practices to be followed by other countries.

We will start for a brief presentation about the prize for the best financial educational programmes: what kind of information is evaluated, who is CYFI, what are the requirements to apply to this award.
The Child and Youth Finance International is an international organization that aims to provide financial education to children and youth. It intends to represent all children and give them the opportunity to have a say, and to play an active role in the financial education process. Currently they are the biggest network of institutions and other stakeholders involved in financial education activities.

The organisation believes that if children have access to basic financial concepts they will be conscious adults and will have more opportunities. This body has followed the work that various countries have been developing as well as periodically promoting conferences around the world to highlight the effects financial education policy may have on a country’s and its citizens’ future.

In 2013, they created the CYFI Youth Committee composed of 12 countries. Currently, this number has more than doubled.

CYFI annually recognizes the effort of individuals, organizations and governments in promoting financial inclusion through financial education. At the government level they mainly identify the countries that are committed to the objective of identifying key players and setting partnerships with stakeholders from the public and private sector, governmental or non-governmental as well as financial and non-financial institutions.

We contacted CYFI to get more information on the criteria used in attributing the prize to the countries mentioned above and to try to understand what kind of information they required from them about national financial programmes. We also inquired about the conditions the countries should adhere to be able to apply for the award. Unfortunately, until the date for submitting the present work we have not had any responses from them.

The country award by CYFI is attributed to one country per continent and in 2014 the winners were the following:

- **Africa**: South Africa;
- **America**: Brazil;
- **Asia**: Singapore;
- **Europe**: Portugal;
- **Middle East and North Africa**: Saudi Arabia.
A brief summary table with the main characteristics of the five case studies is presented in Appendix A.

4.1 South Africa

Social and economic context

The main sources of the follow description are the National Treasury of South Africa and AFI Financial Inclusion Data Working (2014) and The Banking Association South Africa (2012).

South Africa was democratized in 1994 and since then one of the main goals of the Government has been the financial inclusion of citizens and also SME finance. Many believe that the first step was taken with the Financial Sector Charter in 2004 and consolidated with the Financial Sector Code in 2012.

In 2004 the unemployment rate was 26.2% and the average unemployment rate was 25.27% between 2000 and 2015\(^2\). The financial exclusion was very high: in 2004 42.3% of the population had never used a bank while in 2012 that figure had decreased to 27%. Additionally, a national surveys taken in 2005 showed that the higher the living standards measure (LSM, an indicator that represents social welfare which is used as a proxy of people’s income) the higher the percentage who formally use banks. In 2004 the GDP per capita was low ($5,076.95) and near to the averaged value between 1960 and 2014 ($5,080.22)\(^3\).

At the time South Africa initiated the financial education policy the country was characterized by low levels of family savings, low knowledge of financial products and an increasing offer of complex financial products (Department of Education: Republic of South Africa, 2008; OECD, 2013). Consumer associations realized that many families were not aware of the kind of products and services they should contract at different stages of life. At the same time, they found that there were a lot of initiatives from different stakeholders but they were not coordinated and consistent.


In 2004, about 10.8% of the adult population was totally illiterate and literacy rates amongst adults were substantially lower than for people between 15-24 years old so children have better access to education. It was also possible to observe the difference in a gender basis: “while only 8.3% of men are totally illiterate, 12.3% of women are illiterate - reflecting a very high gender disparity of 1.49” (Department of Education: Republic of South Africa, 2008).

**National Strategy and introductory survey**

The National Strategy for Consumer Education was launched in 2001 and revised in 2013. It is based on four pillars:

- Tightness between the National Strategy for Consumer Education and consumer protection policy;
- Objectives alignment for existing initiatives and stakeholders with the ones for the national strategy;
- Central coordination of all stakeholders involved in the strategy, including government, schools, local communities and consumer associations by the National Consumer Financial Education Committee (NCFEC);
- Limited resources and therefore selected intervention. Selected target groups (children, youth and pensioners) with the focus on themes such as financial planning, financial knowledge, product choice and financial control.

The goals defined for the new strategy implemented since the end of 2013 are: define key performance indicators and other tools to evaluate the performance of the action plan; provide a plan to involve stakeholders in the same objective; contribute to the population’s wellbeing with initiatives to teach them to look for relevant information about financial products and services, to adapt their money management to each stage of life and to take informed decisions, based on their personal context.

In order to assess the financial education needs South Africa implemented a survey in 2011/2012. The study had two main goals: to identify the target groups and to identify the main topics to develop in the financial education programme. Additionally, the Financial Services Board of South Africa (FSB-SA) used relevant information from consumer associations (consumer complaints).
FSB, in partnership with the Department of Basic Education (DBE), reviewed the Economic and Management Sciences resource, entitled Money in Action, which was being implemented by teachers. Some educational stakeholders were involved in the updating of booklets and at the end around 54,000 copies were distributed in South African schools. Financial literacy was introduced on schools as a subject to be studied on the Economic Management Science area (The Banking Association South Africa, 2012). Furthermore, a national manual to support and guide all initiatives and make them coherent was created. At the same time, they defined strategies to encourage citizens to actively take financial decisions. Additionally, the national consumer financial education strategy was launched at the end of 2013.

**Stakeholders**

The Financial Services Board (FSB-SA) has worked with the various stakeholders for more than 10 years to define the national strategy. The NCFEC was created to coordinate the implementation of the overall national strategy and involves key stakeholders. It is controlled by the National Treasury and reports to the Ministry of Finance. The National Treasury also influences the regulatory reforms: it has set the FSB-SA as the new market conduct regulator. A consumer financial education unit and the National Credit Act and Ombudsman Structures were created to promote market protection.

All financial institutions were involved in the strategy and motivated to attract more people to the financial sector. They were aware that it reduces the black market economy and increases access to credit and alternative financing means. In addition, in 2012 The Alliance for Financial Inclusion (AFI), composed of several policymakers and regulators, was set up to help the country with the creation of effective regulation to promote financial inclusion.

In South Africa each stakeholder has considerable autonomy in implementing its own initiatives regarding financial education.

**Delivery Channels**

The autonomy each stakeholder has is reflected in the choice of delivery channel they would use to promote their initiatives. The most used channels include presentations (workshops, exhibitions, face-to-face interaction in public places, group presentations and
the “use of electronic voting systems to get immediate and anonymous feedback from consumers” (OECD, 2013), advertising and marketing, online media (the website www.mylifemymoney.co.za, social media networks and blogs), guides and manuals (for each target group as well as documentation to support teachers).

**Funding**

The FSB-SA created the Financial Services Consumer Education Foundation to receive donations from financial institutions by means of a special tax policy based on their financial sector codes: banks agreed to invest about $12 billion to ensure a wider access to financial services, by establishing branches in low-income areas and to invest a small percentage (0.30% in 2013 and 0.40% in 2014) of Net Profit after taxes in Consumer Education.

**Monitoring the strategy**

The impact of the financial education policy is assessed every five years. Annual surveys also take place. At the same time, a shared database of initiatives has been created aiming to collect data across the country.

**4.2 Saudi Arabia**

**Social and economic context**

Culturally, Saudi Arabia is a very different country from the other winners as the country follows Islamic values and this has an impact on the way families deal with financial concepts. In 2011, the population of Saudi Arabia was approximately 26.5 million and included 5.6 million non-nationals, 90% of the citizens were Arabs, most of them between 15-64 years old, the majority male and 60% of the population lived in big cities (CYFI, 2013). In 2010 the GDP per capita was $15,144.77 following the growth trend of the previous years⁴. Since 2009 the unemployment rate was increasing being around 5.4% in 2010⁵, At the time the program started to be outlined (2010) rapid population growth was

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expected with a more relevant role for the private sector. It was therefore important to create the conditions to allow SMEs take informed decisions.

**National Strategy and introductory survey**

The national plan would be developed and implemented during a period of 5 years, in which its impact on the population’s lives will be monitored and evaluated. OECD recommendations and measure tools were an influential factor and were followed by the Capital Market Authority (CMA). The strategy started with an introductory survey which showed the country’s financial education needs.

The national plan is entitled Smart Investor Program ([www.smart-investor.net](http://www.smart-investor.net)) and started its development in 2010. It has been co-ordinated by the Capital Market Authority. The main goal was to provide financial knowledge for the main target: children, by:

- Promoting a financial education system;
- Making accessible materials and information to consumers;
- Creating a plan to motivate stakeholders to work together;
- Contributing to a more efficient financial market.

The CMA defined as main important themes: daily financial management; budgeting and investments and savings. In this specific country the Zakat and taxation\(^6\) were also identified as financial issues. Additionally, the CMA adjust the contents to Islamic values regarding money, in terms of rights but also of obligations.

Based on the introductory survey the following were defined as targets:

- Children between 9 and 14 years old: they are encouraged to participate in competitions. In the academic year of 2010-2011 the subject of “Financial Investments and the Stock Markets” was introduced in the secondary course of Economics. Until then it was an extra curricular activity);
- SMEs (and the roles of adequate insurance policy);
- Women;

\(^6\)“Zakat is the practice of charitable giving by Muslims based on accumulated wealth, and is obligatory for all who are able to do so.” (OECD, 2013)
• Low income groups.

Countless initiatives have taken place in recent years with one of the most important being the aforementioned Smart Investor programme and the other the creation of a Consumer Protection Department by SAMA. With this department the Government was able to provide more information to consumers. In order to reinforce consumers’ protection, the Banking Consumer Protection Principles was published in 2013, based on the principles defined by the G20/OECD with a plan to launch a website totally dedicated to consumers. With the new Department the Government was able to collect information on banking consumers’ complaints and, based on this, define the necessary adaptations to regulations to create more aware citizens.

**Stakeholders**

In order to ensure a coordinated approach for the target groups to implement the plan a Working Group for Financial Education was set up, headed by the Ministry of Finance. This working group includes financial experts, consumer associations, SMEs, and representatives of young people and women.

In light of the previous points, the Government involved different stakeholders in the project, both public and private, international experts, policymakers, the Saudi Stock Exchange (to help develop information for investors), the media and others. Furthermore, the Kingdom of Saudi Arabia’s approach to the issue was based on CYFI guidelines, researchers and materials as well as OECD/INFE information.

**Delivery channels**

The program defined by the CMA contemplates 4 main delivery channels: Smart Investor Magazine (distributed to all students at the beginning of each academic year and includes stories, puzzles and other information); workshops (developed in several schools in order to teach students about basic concepts); website (with materials, games, ideas, forums, stories), pages on the main networks (Facebook, Twitter) and articles published in important newspapers and magazines; and general PowerPoint presentation to be shown in public places.
**Funding**

It was not found any information about funding resources.

**Monitoring the strategy**

The Kingdom of Saudi Arabia will implement periodical surveys in order to assess the population’s behaviour and they have been trying to find more complete measures and indicators to get the required information. Furthermore, they are involved in international surveys and benefit and learns from international knowledge.

**4.3 Singapore**

**Social and economic context**

In 2003 Singapore presented a GDP per capita around $26,297.10, relatively low compared with $38,087.89 in 2014. The country has been growing. However it suffered a backspace in 2010\(^7\). In addition, the unemployment rate was considerable low achieving 3.1% in 2005 and reduced to 2% in 2012. In 2003 the population density was around 4.1 million people. As happen in most of countries the literacy rate was higher among men than women. The home ownership rate has been decreasing achieving the lowest value (in the last 10 years) at 2010, surrounding 87.2% against 93.1% in 2003. Finally, the bank lending rate remained unchanged at 5.3% in the period between 2003 and 2006, suffering an increase to 5.32% in 2007 and between 2008 and 2014 it was stable at 5.38%, suffering a reduction to 5.35% in 2014\(^8\).

**National Strategy and introductory survey**

The Prime Minister and Chairman of MAS (Monetary Authority of Singapore) launched the financial education program of Singapore (Moneysense) in October 2003. In February of the same year the Moneysense Financial Education Steering Committee (FESC) was created, responsible for defining, implementing and monitoring the national policy.

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In 2005, aiming to get information about Singaporeans’ attitudes, behaviours and knowledge of financial literacy concepts, a survey was carried out and the results were very encouraging by indicating that Singaporeans already have saving habits: in general, they were very careful with investments, planning their future, managing their daily budget and having saving attitudes (The Moneysense Financial Education Steering Committee, 2005). However, the survey also found that many of them do not have any idea about the amount to save for their retirement period or for an emergency. Additionally, the majority were not fully aware about financial products.

The main goal of the project is to promote consumer protection and equip citizens with enough knowledge to enable them to take informed decisions about: managing their budget, buying a house they are able to afford; learning how to save to face unpredicted situations such as illness and planning for their future. Based on this, the program comprises 3 main contents: basic money management, financial planning and investment know-how. Furthermore, five core financial abilities were identified: understanding money (evaluating the costs and benefits of each option); understanding yourself, your rights and responsibilities; managing everyday money; planning for the future and selecting and understanding financial products.

**Stakeholders**

As in the two previous case studies here the public and private sectors also work together. The FESC is chaired by the MAS and includes representatives from key Ministries, financial authorities and Moneysense-Singapore Polytechnic Institute for Financial Literacy. In addition, the FESC also works with local associations and communities and invited market players such as the Association of Banks in Singapore (ABS), General Insurance Association of Singapore (GIA) and Investment Management Association of Singapore (MAS). Moreover, it invited Consumers’ Association and other institutions to participate in the strategy’s implementation to ensure consumer protection and higher levels of financial literacy.

**Delivery channels**

The program was delivered through the Moneysense website (www.moneysense.gov.sg), mass media channels, roadshows and seminars as well as a Facebook page. For target
groups such as students manuals, quizzes, competitions and challenges were held, while for adults and low income families seminars and thematic workshops were organised. In order to publicise the information to date around 280 articles about financial education have been published as well as seminars and workshops promoted. Additionally, interactive games have been set up and TV and radio shows produced, reaching an audience of around 3.6 million⁹. One important initiative links CitiGroup Bank and Singapore Management University: they joined forces to launch a financial literacy program to young adults, between 17 and 30 years old.

**Funding**

The national activity was co-funded by the Financial Sector Development Fund to the tune of about $1 million per year.

**Monitoring the strategy**

Singapore is continuously analysing consumer and investor complaints and suggestions as well as inputs from consumer associations. They also apply quick surveys (which may include qualitative questions) distributed to participants of events.

The last national survey to monitor the evolution of the program took place in August to September 2013. Topics such as savings habits, financial planning and investments were the main issues studied. Singapore found that in fact the results showed better levels of literacy in more aware citizens. However, in 2014 Mastercard implemented another survey in several Asian countries. Here Singapore dropped from second position to sixth. According to Mastercard¹⁰ this drop was based on a lack of understanding about Money management, when compared with countries such as Taiwan and New Zealand (which now occupies second position).

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4.4 Brazil

Social and economic context

The statistical information in the two first topics was collected from OECD (2013).

As the world has seen, Brazil have experienced significant changes in terms of its social and economic context. Brazil was a country that had high levels of inflation (1970-1980). However, mainly since 2000, due to several policy changes, inflation has been pulled back to acceptable and stable levels and the paradigm has changed.

The country has registered a significant increase in the size of its middle class: an increase of 32% to 47% in 2002-2007, representing 23.5 million individuals. So, the distribution of wealth has been more equitable. The main reasons regard lower unemployment rates and the fact that health services have started to improve, being the result an increase in life expectancy from 51 years in 1950 to about 73 in 2008 and around 81 nowadays. This has created another challenge: the middle age population has increased by about 4.2%, while the younger population has decreased. It is important to mention that the GDP per capita was about $5,678.286 in 2011\textsuperscript{11} and the unemployment rate decrease from 7.5% in 2010 to 5.5% in 2011.

Since 2000 the country had a larger middle class credit demand increased: in a period of 6 years credit increased from 22% to 40% of GDP, which represents fast growth. These demographic and economic changes impacted on consumption and savings levels and also demand for financial products and sometimes alternative ways of investing.

National strategy and introductory survey

Following the changes mentioned above, the introductory survey (2008) showed that financial literacy was low: only 31% saved for retirement and the rate of income allocated to consumption was progressively higher, thus reducing savings. The risk of buying an inadequate financial product was high and most individuals were not able to understand the products clearly. Additionally, they were not aware of their rights and obligations as consumers. The differences in literacy were very high between federal states: they vary between states and within cities and communities. Brazil also considered the data from

the Central Bank’s Consumer Support Desk, which helped to identify population’s needs and a national strategy to solve them. At the same time, the country also identified the existing initiatives, and the national regulators (Brazil Central Bank, Stock Market Commission, Supervisor of Insurance Sector and Supervisor of Pension Funds) helped by mapping their own initiatives.

Following the survey, a national plan was prepared and formally announced in August 2011. The strategy was also reinforced with the publication of the National Plan for Consumption and Citizenship in 2013. The goals were: implement a culture of thinking about financial education issues; empower consumers with enough knowledge; and create the conditions to make sure that financial, capital, insurance and pension fund markets work efficiently.

Brazil was a pioneer among the case studies in introducing a pilot-project in around 891 volunteering schools between May 2010 and December 2011, based on World Bank’s support. Monitoring took place periodically and it was evaluated financial literacy before and after the pilot-project, by questionnaires directed at the subjects: students, teachers and parents or legal guardians. At the end, by comparing the treatment group (schools that received materials and information about financial concepts) and the control group (other schools without that information) it was possible to state that the treatment group will demonstrate saving behaviours and help their families to manage their budget. Both groups would also be followed up in the long term to understand the difference between their attitudes, behaviours and financial literacy.

After the pilot-project’s implementation and after adapting materials and making adjustments to the strategy the country decided to roll out the information to the whole country, with the necessary adaptation to local circumstances. The targets identified were: children, youth and adults (women and retirees). In order to get through to children and youth material and activities to be presented in schools were prepared. A guideline for financial education in schools was defined, and this was used in the pilot project of 2010/2011. Special attention was also paid to women in receipt of Bolsa Família (suffering from extreme poverty) and retirees (high levels of debt): it was implemented a pilot project for these targets, counting on help from the Social Security Ministry.
Stakeholders

As Brazil has a relevant diversification in the socio-economic context between states, the national strategy is defined and coordinated centrally but implemented at a federal and local level. Among the players are government and non-government organisations, bodies from public and private sectors, all with different interests.

The COREMEC, the Committee for the Regulation and Oversight of Financial, Capital, Insurance, Pension Funds and Capitalization Markets, which is composed of the four National regulators mentioned above, decided to create a working group in 2007 to propose an effective national education strategy. Following that in 2010 it was created CONEF, the body responsible for implementing the strategy, defining action plans and coordinating their implementation. It is composed of several elements representing the main national regulators as well as the Ministries involved and financial institutions, with specific responsibilities and a renewable 3-year mandate. Most of the institutions involved also promote sectorial initiatives for specific targets, such as preparing guides for investors and others for consumers, to raise awareness of their rights and obligations.

Delivery channels

A range of books, manuals and videos were produced for each school level and financial education was introduced into schools as a cross-curricular subject. In addition, educational communities were created to allow students and teachers to share experiences. Moreover, stakeholders would be in touch with adults through seminars and workshops, websites (mainly www.vidaedinheiro.gov.br) and guides for savings, meanings of specific products, TV shows and other advertising materials. As with students a guideline for financial education for adults was defined.

Funding

One of the main challenges CONEF may face is the scarcity of financial resources, so it invites strategic players from private initiatives and social society to help them support those initiatives. Only in the pilot project of 2010/2011 $1 million was spent, and in the pilot project implemented in 2013/2014 for elementary schools, a total investment of around $2.1 million was estimated.
**Monitoring of the strategy**

The monitoring of the strategy has been based on the initial survey, refining some indicators and following international tools. Additionally, Brazil has been involved in the most important international surveys. According with CONEF (2014) in 2013 the country implemented another assessment of existing initiatives in which 803 situations were identified (in 2010 it was around 100). Around 60% of the initiatives identified are free for the population and 31% of them work with children and young people. It was identified 73 initiatives promoted by public institutions and 77% of them were organized by federal authorities. It was possible to conclude that the strategy might give more importance and create conditions to prioritise rural areas, promote specific initiatives in these areas as well as focus on the mentioned adults (CONEF, 2012).

**4.5 Portugal**

**Social and economic context**


In the period previous to the plan the savings rate in Portugal was at about 11% of disposable income in 2009, which was not optimistic when compared with European Union (13.2%), more specifically Germany (17.2%) and Spain (18%). In recent years Portugal has been a country operating under the guidance of international financial institutions and has had to take decisions which drastically reduced the level of savings (due to lower disposable income). To make matters worse, the indebtedness of Portuguese families had reached 130% of disposable income, and more recently the ratio of non-performing loans, mainly small ones had increased dramatically since 2007 (3.7% in 2007 against 8.2% in 2011). One note to mention that the GDP per capita in 2010 reached a lower value, around $18,917 compared with the previous years\(^{12}\) and the unemployment rate was about 11%\(^ {13}\).


National Strategy and introductory survey

The Portuguese Central Bank carried out an introductory survey in 2010. The Council realized that they should reinforce and, in some segments, introduce the idea of saving for the medium and long term, plan for retirement and learn how investors should interpret and compare the prospectuses of similar financial products. Additionally, the survey developed by CMVM (Portuguese Securities Market Commission) defined the profile of investors and identified in which areas there was lack of information. They conclude that more people with lower levels of education are participating in the stock markets by trading risky products: shares and bonds. The other product in demand was retirement savings plans (PPR), which registered a boom because of fiscal incentives having almost disappeared in younger generations. Another source of information was the complaints and suggestions made by financial consumers.

At the same time in 2010 a document was created, entitled National Plan for Financial Education, which constitutes a framework for the national strategy. The strategy would have a timeframe of 5 years (2011-2015) and the program defined aimed to provide the main guidelines for its implementation. The main objectives were: improve financial knowledge and attitudes, support financial inclusion; develop saving habits; promote the responsible use of credit (to avoid non-performing credits as we saw above); create precautionary habits (plan for the future and think about the possibility of unexpected events such as illness).

These objectives and the contents developed were adapted to each target, mainly primary and secondary students, workers (by seminars and workshops) and vulnerable groups. Portugal also considered the Programme for International Student Assessment (PISA) and its guidelines. The contents of the materials for schools were provided by the Ministry of Education, supported by universities. For university students the information is introduced through seminars and workshops, promoting research in the area and creating a prize to reward the best ideas for financial education and similar concepts. In 2013 the Core Competencies were approved by the Ministry of Education and Science. Following this was implemented a training program for teachers.
Stakeholders

The National Plan was prepared by a working group elected by the National Council of Financial Supervisors (CNSF) – the leading national authority in terms of financial education – composed of the three financial regulators: National Central Bank (BdP), CMVM and Insurance and Pension Funds Supervisory Authority (ISP). The Council decided to create four bodies to define, coordinate (the existing non-coordinated and new initiatives) and evaluate the national strategy: Coordinating Committee (coordinating the implementation and dissemination of information about initiatives and providing guidelines); Monitoring Committee 1 (providing the materials and help to promote and implement initiatives); Monitoring Committee 2 (creating conditions to implement the projects as well as identifying the population’s needs); the Advisory Board (the strategy’s oversight body). These organizations involve public and private institutions, elements from consumer associations and universities. In addition, the Portuguese Banking Association assumed financial education as one of its main priorities: one of their main initiatives was the programme “Good Practices, Good Accounts” implemented in 2012, and the project “Making it Happen – Ideas of Value”. Some guides were created in order to provide a common framework for all banks and to standardize key information for consumers.

Delivery channels

Communication of the national strategy was achieved through a website created by the three regulators (www.todoscontam.pt), where people can find information about materials, concepts, supported initiatives taking place and additional information. To complement, each regulator has its own website, which is more directed to consumers (information about products and services). In addition, the Council has also resorted to the media with a strategy of communication defined via media channels: TV and radio.

Funding

No available information. However, it seems that each supervisor funds its own projects and the Government helps with the necessary funds for producing guides and didactic materials.
**Monitoring the strategy**

Portugal will evaluate the impact of the strategy in 2015. It is expected that the country will follow international recommendations as well as others’ experience and develop quantified goals that are reflected in performance indicators: on financial inclusion, on savings habits, on indebtedness and on the number and type of complaints. During the plan’s implementation surveys were directed at those who participated in different initiatives in order to assess their interest and the possible impact the initiative had created. It allowed the country to gradually adapt its strategy.

To sum up, there are common aspects between the successful case studies: the strategy’s time frame, the steps to implement the strategy, the care given to the content (which are very similar), targets, the importance of each stakeholder, the ways in which they complement each other, and the necessary adaptation of national guidelines to local needs.
5 Financial Education in Europe

This chapter aims to provide an overview of the European context in terms of financial education policy. It is divided into two parts.

The first intends to show the heterogeneity of financial education policies across Europe. We will present the national context of each European Union member. To do this we based our findings on OECD reports (including the last PISA report – from 2012) as well as the website www.europeanmoneyweek.com (where the information is very recent - it was published at the end of 2014 and in some cases at the beginning of this year). For some countries information is scarce and those we found are in the mother language, which limited access to more detailed information. Some national promoters also provided additional information upon request.

The second part aims to present initiatives promoted by the European institutions responsible for the issue. The objective is to show what kind of work has been developed by European authorities in order to promote and help with the implementation of national programmes. By doing this study we are also able to understand the extent to which the majority of the countries are committed and collaborate with relevant activities.

5.1 Heterogeneity in Europe

The European Union is currently composed of 28 countries with different social, demographic and economic contexts. Appendix B presents a table summarising the national strategies in European member states. The heterogeneity is evident in the topics considered.

The analysis of every EU member national strategy makes clear that all recognize the importance of having an effective national framework to follow. We searched for information about each member state country and the detailed information may be found in the Appendix C (except for Portugal, detailed in the previous chapter).

We found countries with different financial literacy objectives. Some say that they would implement some initiatives and activities because their final goal is consumer protection (eg.: Italy), some that it is financial capability (eg.: United Kingdom), for others it is
financial inclusion (eg.: Spain) and others directly mention financial literacy (eg.: Lithuania). Whatever the formal objective, the reasons, principles and concepts are more or less the same: improve financial literacy levels in the population by means of financial education.

Curiously we found that some countries that do not have a national strategy are working with some groups (mainly students from primary and secondary schools) and participate in international surveys that intend to evaluate their progress (such as the PISA studies).

One other common factor is the role the Banking Associations play in each country. All Associations of Bankers have a very active role to play and promote several projects and activities as well as being widely involved in the production of materials and content on financial education. Some of the Associations and even the banks individually only target students but others go further and have websites and projects for each population segment, including entrepreneurs and people on low incomes.

Following the general ideas described above we divided the 28 countries into three main groups according to the level of implementation of their national strategies:
Figure 1 - An overview of the national strategies on Europe
5.1.1 First group: Leading countries in the implementation of national education strategy

The first group is characterized by the first countries that implemented a national coordinated strategy and which usually have financial education as an obligatory subject in the school curriculum: Czech Republic, Portugal, Spain, Slovenia, Sweden, The Netherlands and United Kingdom. This group of countries are the pioneers in financial education strategies. Some started their strategies by focusing on students but evolved to also consider other targets. Others, such as The Netherlands defined a strategy for the whole population.

Most of these countries are part of the second strategy, which means that after a period of four or five years they evaluate the strategy and after introducing some adaptations implement a (second) improved strategy. We are considering countries that launched the strategies for the first time in 2008/2009 (except Portugal that formally announced the action plan in 2011). They are considered the benchmark for the other two groups. It includes last year’s (2014) winner of the award for Best Financial Education Program in Europe: Portugal.

These countries follow OECD/INFE recommendations and some intend to participate in the next PISA study (2015). PISA study is a triennial survey implemented in several countries in 15 year-old students to assess the quality of education systems. These surveys allow countries compare the information and learn from others experiences.

They are working closely with consumer protection associations and bank associations. It allows them to receive information about consumers and investors’ complaints and suggestions and work on the regulation and conditions to overcome the difficulties population faces.

There are several common aspects in the national strategies of this group of countries:

**Stakeholders:**

- The leader of the strategy, responsible for designing and implementing it, is usually a Committee composed of the national financial supervisors and sometimes include other bodies. There are also countries which created a separate
Working group to manage the strategy’s implementation that usually directly depends on the Ministry of Finance;

- Their Bank associations were pioneers in producing materials, websites, tools for teachers and information in simple language to promote financial inclusion. They are some of the most important sponsors of National Money Week, which aims to familiarise students with the financial sector;
- Their Governments are actively involved in the strategy by being the major funder and through their ministries, which participate in designing the manuals for schools and other guides for the general public;
- Junior Achievement: an international association that intends to bring financial education to students from school levels. This organisation promotes several activities and by working with other bodies and charities, Junior Achievement gets high penetration levels in the countries it is present.

Initiatives: Among the most innovative initiatives we find:

- A platform (usually a website) where national banks need to fill in information about their bank fees, interest rates for loans and other basic bank services and products. People have free access to this information which helps them to more informed decisions based on impartial comparable information;
- Some of the countries also had pilot-projects in schools and after a small period (usually one school year) and small changes they adopted them in all schools (in some cases even in private schools);
- Some of the countries created a prize for the best ideas about financial education. These countries promote several competitions in all schools, games and initiatives on financial education.

Evaluation process: they follow OECD/INFE guidelines and define a very complete survey to measure several items, quantitatively and qualitatively. They usually implement questionnaires before and after each activity, to measure the impact on behaviours, attitudes and knowledge.

Funding: some countries do not provide clear information about the strategy’s funder. However, in almost all of them the strategy is funded with public money.
The countries integrated in this leading group have the best national strategies, the ones considered the most complete. However, even among these countries we may find differences. Mainly we may distinguish between the countries that have financial education content as part of the school curriculum and those, which, although they are developing some initiatives, until now have not integrated them into the national education plan. In this second sub-group we consider The Netherlands and Sweden:

- **The Netherlands** is in fact a pioneer country, not least because it was one of the first countries to define a National Strategy (2006). Based on the available information from all European Union members The Netherlands was the only country that have expressed their intention to implement the National action plan in order to prevent citizens from taking future bad decisions. They clearly say that “prevention is better than correction” (OECD, 2013) and based on this they did not define a specific plan focusing only on students but a plan for all individuals, by adapting actions to each target. Students are not forgotten and the Government recognizes the importance of creating awareness in young people. With this in mind they have promoted several initiatives for children and youngsters. Thus, they have a National coordinated strategy, with several initiatives for different segments, and since the beginning they have also included entrepreneurs and low-income citizens as target demographics. This showed that effectively the country designed a complete strategy, involving the whole population and respecting their needs (such as the high level of indebtedness). In 2013 the strategy was improved as a result of the surveys implemented in previous years and now the country is on the “second” official strategy;

- **Sweden** introduced the national policy in 2008 focusing on the general population. In fact, they do not have financial matters included in the school curriculum but the context is similar to The Netherlands. They focus on immigrants, employees and students from secondary school, mainly disadvantaged students: they get some information about managing the family budget when studying home economics. This subject is also included in social studies (in the first year). Several materials are published and sometimes freely distributed to schools (mainly to these lower school students) and the country incentivizes bank employees to attend to sessions in schools. The country also
implemented the project “teach-the-teacher”/“train-the-trainer” to train specific groups who will spread the information to a wide audience. Sweden is one of the countries that provide comparative information about all bank fees, loans, credits and deposits.

The other five countries (United Kingdom, Spain, Slovenia, Portugal and Czech Republic) have adopted financial education as compulsory in their schools:

- **United Kingdom:** In UK, charities play a relevant role in the national strategy. They develop many initiatives, mainly targeting students and young parents. One of these projects is MyBank, focusing on students from 11 to 25, which allow them to apply for an interest-free loan to let them start their own business. 2014 was a watershed year, since when all secondary schools have adopted financial education in their programmes and in the same year the new strategy for the period of 2014-2018 was published;

- **Spain:** The initial strategy (2008-2012) was marked by two main situations: 1) the creation of a website for students and teachers (where they have specific information to prepare sessions) and 2) the introduction of a pilot-project in some schools during 2010-2011. The results were so good that they have decided to implement financial education content in all schools since 2012. As in United Kingdom, Spain is currently introducing the second strategy (2013-2017). The Spanish Banking Association is very active and has created a Financial Education Working Group focusing on the production of materials, conferences and workshops to reach adults from different social strata and helping in the efforts of encouraging more awareness in future adults;

- **Slovenia:** Their strategy started in 2009 and the main focus has been students and families. Among the main initiatives the Slovenian Banking Association launched a website and a booklet with useful information. The country distinguishes between financial education and home economics, and this last subject is compulsory in the national curriculum, which allows children to have their first contact with financial education concepts. Moreover, the newspaper Finance together with other bodies has promoted the extracurricular activity “Young and Money” for primary and secondary schools. In 2012 Slovenia participated in the
PISA study and was ranked 14th with the best strategy for introducing financial concepts in schools;

- **Portugal:** The European winner in 2014 of the CYFI award that distinguishes the best national plan for financial education matters. The path to that award started in 2011 when Portugal introduced its plan (although in 2010 the plan was defined and the introductory survey took place), monitored by a Council constituted of the three national financial supervisors (National Central Bank (BdP), Portuguese Securities Market Commission (CMVM) and Insurance and Pension Funds Supervisory Authority (ISP). The country defined a complete process to bring about deep change in knowledge, behaviours and attitudes. Following OECD/INFE recommendations and also PISA programme and guidelines, the country introduced financial education as compulsory in primary and high schools, as well as promoted some initiatives for university students. The programme was so inclusive that it also considered low-income citizens and workers as targets. Some of the supervisors created specific working groups to follow the evolution of consumers and investor behaviour and changed their own policy by providing materials to promote financial education. During the year 2015 the country will evaluate the impact of the strategy and it is expected that a new one will be introduced from then on, with some upgrades. The strategy has been funded for the three national financial supervisors;

- **Czech Republic:** The strategy was introduced in 2010 and since the beginning has defined two main goals: 1) education for children (since that year it has been compulsory for secondary schools and in 2013 the same strategy for primary schools was defined); 2) education for adults, mainly the most vulnerable, with the help of public bodies, trade unions and charities, with a formally designed campaign in 2013. Unlike some other countries where it is difficult to find certain information about funding resources, Czech Republic informed us that most of the national initiatives are funded by European Social Funds (it is the only country that mentioned that European funds and private sector were among the main resources). 2014 represents an important step: a pilot project was introduced for finalist students from high-schools and another for the most vulnerable people (including those that are institutionalized), in order to include them in the financial
system. Czech Republic was one of the finalists of the award attributed by the CYFI (that was awarded by Portugal).

5.1.2 Second group: Followers

The second group is made up of countries that have adopted a coordinated financial education strategy in recent years and are still implementing it: Croatia, Estonia, Finland, Latvia and Lithuania.

All of these countries have introduced their strategy between 2013 and 2015, which curiously coincides with the period when the first group of countries introduced their second (or updated first) strategies. Following the results of the surveys of the first group of countries, with the main conclusions on the first strategies, this second group took some lessons and in some cases introduced updates and news. For example, most of the countries in the first group focus on students and more vulnerable groups and when they evolved to the second strategy they also considered other targets such as companies, public institutions and entrepreneurs. On the other hand, in this second group of countries we may find initiatives also directed to SMEs (Croatia) and pensioners (Lithuania).

As we mentioned previously all of these countries have a national strategy, implemented and monitored 1) by the Ministry of Finance (or a mechanism led by it) or 2) by a national Council composed of the national supervisors, or at least, 3) by the National Central Bank. Information on funding is scarce but the evidence shows that the national action plan is usually funded by the Ministry of Finance or the Association of Banks.

Among the five countries in the follower group we find three cases of having participated at PISA 2012, where one of them finalized the process in a very good position. Following the same idea as the first group here we will also distinguish between countries that have adopted financial education in schools and those others that are still thinking about introducing it in the school context.

The countries that have introduced financial education in schools are:

- **Croatia:** One of the most recent EU members that has very recently adopted a financial education strategy for the period 2015-2020. Although the strategy formally started in January 2015, the topic was introduced into schools in 2014 as
part of the subject “Citizenship Education”. Several initiatives have been developed since 2006, with free workshops and free access to information on financial education and by participating in international initiatives such as Global Money Week, and in the PISA study of 2012, it was ranked in 11th place regarding policies for students and schools. The main targets of the strategy are families and SMEs, by working with the Croatian Employer’s Association in promoting free access to workshops and conferences;

- **Finland:** Its goal is to provide students, mainly from secondary school, with enough skills in this subject. Similar to Croatia its strategy has been implemented since the beginning of 2015. The leading mechanism is composed of the Federation of Finnish Financial Services and the Advisory Council on Financial Management, and several competitions have been promoted for students. We underline the initiative entitled Zaldo campaign (since 2011), which aims to teach students by using games. Junior Achievement in Finland has also played an active role in providing materials to students;

- **Latvia:** This country has developed a plan to be implemented for the period 2014 and 2020. The Association of Commercial Banks has created different websites targeting different groups, including consumers and investors. One of the characteristics of the plan is that it does not have a specific target, intending merely to improve the population’s knowledge. Latvia came 8th in the last PISA study. According to its National Development Plan the introduction of financial education as mandatory in secondary schools will ensure a more competitive young generation and reach an “economic breakthrough”. One last note to mention is that the policy is funded by state and local budgets as well as European assistance instruments and other institutional participation.

The other two countries have developed several initiatives nationwide but until now have not introduced financial education subjects into schools:

- **Estonia:** the strategy was designed to be implemented for the period of 2013-2020 and the main player is the Estonian Banking Association. It creates and provides free materials, has funded translation into Russian and provided Estonians with a table with a comparison of bank fees and other bank products
and services. They also motivate bank employees to teach at school sessions and in 2007 they created a network of these employees. Additionally, they have also created games and competitions for students. Although Estonia has not introduced financial education in schools they achieved 3rd place in the PISA study in 2012, the best place among European member states;

- **Lithuania:** The Bank of Lithuania implemented in 2013 the financial education strategy, called Money Bee. It invites people to get involved with the financial context and learn how to manage their money. In order to alert the whole population to their low financial literacy level a survey was conducted in 2013, whose results also revealed the high debt levels. The country is very dynamic, and immediately started implement several projects. The Bank of Lithuania promoted a social program called “Be careful when borrowing”. Furthermore, during 2013 the leading authority joined forces with the CYFI to organise Money Week, by developing several workshops and conferences for students and teachers. Some of the banks work together with schools and one also has a TV programme which explains financial products and concepts. For adults they developed the project “My budget” that aims to make adults think about daily challenges such as expenditure, savings and investments.

To sum up, these countries have learnt from OECD/INFE recommendations, PISA reports and also pioneer countries. Almost all the countries argue that even though it should be given special relevance to children and youngsters, it is important to train the current generation of adults in different contexts, to help them taking sound and informed financial decisions. So, we find countries that have materials and websites for each target, have created a specific working group to work directly with each one and are creating a network of several players from all backgrounds (for example, public and private sector, charities, trade unions or association of employers).

### 5.1.3 Third group: Countries without a national strategy

In this third group countries have taken some initiatives, mainly promoted by the bank association, but do not have a national strategy. These initiatives are private or come from NGOs and banks. The most common initiatives are Money Week and workshops for
children and young people. Financial Education is not on these Governments priorities. In this group are included: Austria, Belgium, Bulgaria, Cyprus, Denmark, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, Malta, Poland, Romania and Slovakia.

In this group of countries, we find examples of organisations which have presented a draft of a possible project to the Governments but until now it has been inconsequential (eg.: Ireland).

We can also find countries that, despite their Governments or other national bodies not deciding to adopt a national strategy, still participated in the last PISA survey in 2012, while others have decided to participate in the PISA study in 2015. This may help national authorities to be aware of the urgency in coordinating a national programme.

We divide these countries into two sub-groups: countries without a national strategy but with financial education in schools and countries without both a national strategy and financial education in schools.

In the 16 countries only a few have introduced financial education as mandatory in schools:

- **Denmark**: since the beginning of 2015 Denmark has introduced financial education as compulsory in the school curriculum for students between 13 and 15 years of age. Danish initiatives are very recent. Since 2014 they have started organizing Danish Money Week and in the last two years partnerships were signed with banks and teachers in order to help with the production of material for schools. The information available on the country does not mention any activity aimed at adults, only students;

- **Hungary**: Financial education was introduced in schools in 2013 but it is optional. One of the most original initiatives is the scientific centre that aims to find alternative approaches to introducing the topic to students and more interactive tools. Until now the initiatives, organized by Central Bank of Hungary, have reached some thousands of students and all events are free;

- **Malta**: besides the subject of financial education being compulsory in schools, the Malta Bankers Association has created a simulator of a bank context to let students understand how it works. This institution also organizes visits to banks
and job fairs to let students have their first contact with their function. Banks are very proactive and some bank experts participate in TV and radio shows as well as in the production of material for schools. On the websites consumers can find recommendations and information to help them to decide correctly about their finances;

- **Poland**: this country is a pioneer in this group of countries because it introduced the subject of financial education into schools in 2001. For primary and secondary schools it is optional but for tertiary school it is mandatory. The main stakeholder and funder is the Polish Central Bank. They develop special programmes for different target groups, including entrepreneurs. According to the OECD information Poland is currently preparing a national strategy that will be introduced in the next few years. According to PISA 2012 Poland is in 6th place among the participating countries;

- **Romania**: The country has introduced financial education in schools with two main objectives; to improve financial literacy and to decrease exclusion from the banking system. In 2012 it was signed a partnership by several financial, education and social organisations to measure the level of financial education of Romanians. Romania is preparing to launch a national campaign;

- **Slovakia**: in 2014 financial education was introduced as a compulsory subject into primary and secondary schools. Junior Achievement is also in Slovakia and together with financial bodies several initiatives have been developed. However, there is a lot to do: in the PISA study of 2012 they came 14th.

As mentioned above two of these countries are currently preparing their strategies and Slovakia is at an advanced phase with some of the initiatives they have been promoting. Malta and Denmark have been focusing essentially on students.

The last 10 countries are aggregated in the follow sub-groups:

- **Countries with a strategy designed but pending approval - Bulgaria, Italy**: based on all information collected we may consider these as the most advanced countries in terms of national initiatives and in designing a national strategy. Bulgaria has several institutions working on the promotion of financial literacy to
all targets. Their main goal is consumer protection. The Financial Supervision Commission has defined a plan for the period 2012-2015 which includes various activities, projects for students and adults and also the production of materials and tools. The country already has a draft of the national strategy but until now it has not been approved by the Government. The same is true for Italy, where the draft is still pending in the Italian Parliament. They participated in PISA 2012 and reached 6th place. The country has introduced financial education into schools but the materials and strategies vary according to the body responsible for the strategy in each area (so still there is no common national programme for schools);

- **Countries which are currently designing a strategy – Luxembourg.** Luxembourg’s initiatives focus on children and students and very occasionally adults up to the age of 30. The main goal is to promote contact between students and the financial and stock markets. The Banking Supervision Authority has created a Working Group, involving several players from different sectors to design a national strategy.

- **Countries with some initiatives but no expectation of designing a national strategy in the short-term – Belgium, Ireland, France, Greece, Germany, Cyprus, Austria:** this group of countries has developed several initiatives and has even participated in international surveys (PISA) but until now there has been no-draft of a national strategy.
  
  - **Belgium:** The European member with the best result in PISA 2012, they attained 2nd place competing only with the Flemish region (not the whole country). However, until now they do not expect to design a national strategy. Curiously, they have specific projects targeting public companies and even bank employees to explain about how to detect fraud and phishing;
  
  - **Ireland:** Education and banking bodies have been trying to convince consecutive governments of the importance of having a national strategy but until now they have not had much success. The action developed has been led by the Association of banks (including a pilot-test on bank accounts) and Junior Achievement and is aimed at students;
➢ **France:** The Bank of France is very active and has implemented several original projects, such as the City of Economy and Finance, where the population will have contact with financial, economic and monetary concepts;

➢ **Greece:** has a few initiatives and the national financial and economic crisis is reflected in the content defined. Most of the initiatives are taken in partnership with the Junior Achievement programme in the country;

➢ **Germany:** the country is divided into 16 federations and each one is free to decide about its education policy, so most of them have introduced the topic and in the school year of 2015-2016 a state has decided for the first time to separate the topic as an independent subject by calling it “economics, careers and studies orientation”;

➢ **Cyprus:** The initiatives are mostly promoted by the Association of Banks by joining forces with Junior Achievement. The most relevant initiative is the “company programme”, which allows students to create and manage a company for a year (and learn from the experience) and also participate in international competitions;

➢ **Austria:** the highest profile project is a TV programme about financial concepts from which teachers use information to alert students. Other initiatives also focus on students and teachers.

We may conclude that after around 10 years of the first policy’s implementation there is still a lot to do. The heterogeneity is clear and even inside of each group we find some heterogeneity, mainly in the third group, which has non-coordinated initiatives and where Governments have not decided to define a national framework.

As with other topics, financial education also needs a common action plan for European members. This will guide them in their national strategies.

European institutions play a key role in the promotion of the idea of the need to have a common framework for European member states. Hence it is important to identify what has been done at this level and by which organizations.
5.2 European Initiatives

Recently, European and national authorities have paid special attention to improving the regulation of financial markets, mainly to avoid an international crisis and to prevent fraud. Financial education appears as a complement to prevent these situations and to create awareness in future generations. Regulations allow for the achievement of this goal by creating legal directives to regulate the behaviour of financial institutions.

Starting with the evaluation of institutions in the European Union we found some projects, publications and conferences on the issue.

European Commission and European Parliament

Since 2007 the European Commission (EC) has developed several initiatives, created legal conditions and also publications on financial literacy (European Commission, 2007a, 2007b, 2011, 2012a, 2012b, 2014). Previous to the world crisis they had published the Communication “Financial Education” in which they underlined the importance of financial education to the growth of the internal market and impact on consumer behaviour and protection (European Commission, 2007a). It also published eight principles for financial education programmes and some initiatives for financial education. In the same year, EC implemented a survey between January and November with the conclusion that the subject was gaining importance among European countries (Habschick et al., 2007).

EC also set up the Expert Group on Financial Education until 2010 but then joined forces with the OECD/INFE, terminating the activity of that Group. In 2010, the EC created a similar group on consumer and retail investor protection: The Financial Services User Group. In 2010 the EC launched a pilot project to enable consumer associations and similar organisations with the necessary tools and information (OECD, 2013).

In the financial reform agenda in 2012, European Commission aiming to improve consumers’ protection published the Markets in Financial Instruments Directive (Directive 2004/39/EC), the Consumer Credit (2008/48/EC) and Mortgage Credit Directives (2014/17/EU), and the Packaged Retail Investment Products Regulation (1286/2014). These directives must be followed up with financial education projects and
strategies, which, according to article 165 of the Treaty on the Functioning of the European Union (set up by the EC) is the responsibility of national stakeholders. More recently, in February 2015, in the Green Paper on Capital Markets\textsuperscript{14}, the European Commission highlighted the impact of financial education on consumer protection and the importance of promoting more awareness in decision-making. Finally, the European Commission has created the website “Consumer Classroom” for teachers.

Since 2008 resolution (2007/2288 (INI)) the European Parliament has been asking Member States to take measures to increase financial literacy among citizens. In 2010’s resolution (2009/2204 (INI)) it raised the alarm about the reduced number of women who participate in financial decision making and the importance of reversing this situation as it is they who usually manage family budgets. In 2013 (2011/0062 (COD)) the Parliament suggested EC to define best practices regarding financial services. At the same in 2013 the European Parliament defined a new agenda for European Consumer Policy (2012/2133 (INI)) highlighting the importance of empowering consumers with financial education starting at the school level, which should be followed up throughout the consumer’s life. This means that national leaders should prepare information to help people at all phases of their lives. Finally, in the resolution of 2014 (2013/0139 (COD)), the Parliament insisted on the adoption of a special attitude with the most vulnerable customers.

**European Economic and Social Committee**

This body strives for the introduction of financial education as mandatory in the school curriculum. It also recommends the implementation of a European Day for financial education, and the creation of an agency to supervise bank practices, combat fraud and protect consumers.

**European Consumer organization**

This group has defined an action plan including several measures to protect consumers of financial products. It has also suggested creating conditions to let citizens have access to impartial financial advice, as well as standardizing information and promoting comparison sites about products and services.

**European Banking Authority**

The European Banking Authority (2014) report states that financial literacy was identified as one of the main priorities. The EBA is in charge of the coordination of financial literacy and education projects promoted by national bodies. However, until now there has been no coordination and synergy between Member States and there is no information about any intention to define a single approach. The European Commission frequently mentions the importance of the topic but they only argue that it should be dealt with at a national level and the Commission should only promote the exchange of experiences between countries.

**European Banking Federation**

The European Banking Federation (EBF) represents 32 national banking associations, which include banks from different sectors and with different characteristics (commercial and investment banks, large and small). The institution is an affiliate member of the OECD/INFE, and works in close partnership with this international grouping. The EBF was created in 1960 with a view to “creating a single market for financial services in the European Union and to supporting policies that foster economic growth”.15 The EBF is a space where national banks may share ideas, discuss the guidelines they should follow and define action plans to reach a common goal. They promote a variety of forums and conferences. The EBF has created several Committees to support its actions and decisions. Among these committees we find the accounting committee, business finance committee and financial markets committee, which pronounce on matters such as financial reporting and taxation, social affairs and retail financial services & payments.

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In the light of these issues financial education appears as a natural concern for European banks. The EBF widely recognizes the key role banks can have in educating consumers and investors. They have assumed an active position by standardizing prospectuses of financial products, providing information about bank fees and financial services & products to allow consumers and investors to compare this information between banks and take well-informed decisions.

Some of the more important initiatives they promote are:

- **European Money Week**

  One of the most relevant initiatives promoted by the EBF is European Money Week (in some countries is the only initiative promoted).

  The first European Money Week was launched this year, where 20 national banking associations & members participated, coordinated by the EBF. This Week is managed by the Financial Education Project Group, owned by the EBF. Several initiatives targeted children and young people. The activities were organized at the national and European level with the promotion of roundtables, conferences and workshops on financial education, training for teachers and the initiative “Invite a banker into your classroom”, and launch of the website [www.europeanmoneyweek.eu](http://www.europeanmoneyweek.eu) where countries can share their good practices and experiences.

- **The European Banking Federation’s reports**

  Since 2009 the EBF have published several reports on financial literacy and financial education, aiming to alert countries and even European institutions to the need for a common policy. Some reports focus specifically on consumers, others on children and youth (EBF, 2012) and others on an evaluation of national strategies around Europe (EBF, 2015). In this last publication the European Banking Federation and The Netherlands, presented as an example for other countries’ policy, directly say that they “look forward to discussing in which way financial education can contribute to a single European Market and how the European Union can play a role in advancing financial literacy”.


6 White paper for a European Common Policy on Financial Education

The present chapter aims to present the guidelines for the implementation of a European Common Policy on Financial Education taking into account the different develop stages the various EU member countries are in.

Even though the implementation of the Policy will require the identification of a leading authority for each state member responsible for the adoption and adaptation of the European guidelines at national level, it is crucial to have a common vision on what Europe needs and wants to do with respect to the financial education of its populations.

This White Paper identifies the follow phases for the implementation of a common financial education policy:

- Identification of the central and local coordinating institutions;
- Diagnosis of financial literacy needs and existing initiatives;
- Definition of the strategy and the action plan;
- Strategy implementation;
- Evaluation and monitoring of the national strategy.

6.1 Leading Stakeholders: Role and structure

By analysing several countries that have implemented Financial Education programmes we have identified different forms of interaction among stakeholders. All have advantages and disadvantages. The structure adopted should be one of the following:

- One leading public authority in charge of development and/or implementation with a dedicated and special mandate focusing on financial education, or with a broader mandate;
- Dedicated governance mechanisms and bodies developed among several stakeholders;
- Responsibilities divided among a range of (public) stakeholders.
Private and not-for-profit stakeholders must be involved in the national strategy. Before implementing the strategy, countries must consult other countries’ experts on financial educational policy as well as carefully studying other countries’ case studies.

Most countries studied envisage a single public authority, responsible for leading the national strategy (both development and implementation phases), or a body that incorporates the main financial regulators (and includes ministers such as those of Finance and Education).

Nevertheless, without prejudice to the necessary adaptations imposed by the diversity of possible formats adopted among European countries, the references made hereinafter must be understood as directed and applied to all countries.

### 6.1.1 European Committee for Financial Education

This mechanism is dependent on the European Commission (Education and Culture Department) that has as its mission the definition of the common Financial Education policy and coordination and supervision of its implementation throughout the European community. It should have represented all member countries through its National Leading Authority. Additionally, it must include other relevant institutions such as OECD, World Bank and IOSCO. The attributions of the European Committee for Financial Education should include:

- Identify national representatives and, in the absence, promote its constitution;
- Define the common European policy on financial education with national representatives to be implemented by them;
- To support national authorities in defining its financial education policy;
- Promote / disseminate financial education and training throughout the European community;
- Coordinating the implementation of the policy being the leading national authorities responsible for that;
- To cooperate in this regard with other international organizations in promoting financial education.
As previously mentioned, the OECD, through its INFE, has been critical in the recognition of the role of a Financial Education Policy. In concrete terms, they have produced a wide range of material, developed seminars all over the world and produced documents to support the diversity of stakeholders involved in each country. The European Commission as well as the European Parliament should keep working in the same way by, for example, considering, in all financial seminars, the topic of a Financial Education Policy and National Financial Illiteracy.

In Europe there are so many different social and economic contexts that if there is not a Macro-authority that tries to align all countries to work towards a European policy the continent will still face financial crisis, starting in some specific countries that will eventually involve all the countries of Europe. As well as sharing a continent, countries share the same challenges and, contrary to what happened some decades ago, a national challenge today may be a European challenge tomorrow. Hence, we argue that it is urgent that a European authority looks at this issue as a present challenge and not as a future or less important topic. It is just possible to consider that this arguably “less important topic” could have prevented the worldwide crisis or, at least, minimized its impact.

The responsibilities of the Committee are ambitious. Therefore, it is recommended that national and European institutions may be organized in working groups such as:

- **Consumer Protection Working Group**: composed of several consumer protection associations, which have as their key role the identification of the main complaints of the consumers and the identification of their principal needs in each kind of service. This Working Group should provide the Committee with the list of information consumers should have in order to make sound decisions in their daily lives. The information in each kind of service must be standardized to facilitate citizens’ understanding and let them make more informed decisions;

- **Educational Working Group**: responsible for defining and implementing a financial education policy, supported by the Ministries of Education and Ministries of Finance. These Ministries should work together to develop the main contents to be taught to the target. Their workgroups should define what kind of content is adapted for each school level, or for adults, as well as the best pedagogical approach to take. Additionally, we recommend that this Working
Group include international experts, who have been involved in the same process in other countries, especially those from the successful case studies identified. Other stakeholders, such as consumer associations (which may be represented by the Consumer Protection Working Group), trade unions and the media could be invited to participate in the production of the program and its promotion at the national level.

Unequivocally, this Working Group plays a very important role, responsible as they are for:

- Defining the educational program;
- Selecting and teaching the information to teachers involved in the project;
- Supporting all bodies involved with materials and knowledge and creating and managing a website to share their experiences and information;
- Creating and managing a further website with the program and initiatives nationwide. This would be a website for the general population and not for the stakeholders involved;
- Implementing the Commission’s initiatives;
- Creating the content defined by the Commission and supporting it in that definition;
- Defining deadlines according to the Commission’s directives.

**Supervision Working Group:** This Working Group is independent of the other Working Groups and is responsible for monitoring and supervising the activity developed by each of them and reporting to the Committee. In the case of any divergence it should make suggestions and propose corrective action. By analysing the results of the surveys, it will be able to make recommendations for adapting initiatives to best achieve the defined goals.

If necessary, Working Groups may create groups to explore detailed themes. It is important to mention that these Working Groups usually integrate public bodies (and sometimes private and non-profit partners) and they constitute an advisory board to the Committee. In each Working Group the decision should be taken by unanimous consent or, alternatively, by voting. For this reason, it is recommended that all bodies have an odd number of members. They should meet periodically, in accordance with each phase of
the strategy. As representatives of the Committee’s advisory board they must be available to meet when necessary.

It is recommended that Working Groups have a 5-year renewal mandate to fully appreciate the evolution of their work. The Committees may be elected directly by the Commission, with no need to be recognized by decree. Mandates must be independent of the political cycle.

It is also important to mention that there should be specific initiatives aiming different target groups such as SME’s, low-income citizens, young parents, young workers, pensioners. It is also important to integrate existing projects and try to adapt them to the plan.

Finally, some relevant initiatives promoted by this Committee could be:

- Defines common European action (such as European Money Week): this will allow different stakeholders to work together and by sharing experiences learn from the most successful cases in Europe;
- Promotes seminars and workshops among those national stakeholders involved in order to share experiences;
- Promotes annual conferences where students, teachers and parents (or legal guardians) should present recent developments in their countries and together define the next steps. This will allow students to feel involved in the whole process and help European Ministries of Education to make the necessary adaptations to the programmes applied in schools. At the same time, it will help countries that still do not have financial education as compulsory in their school curriculum to realise the importance of working in this way;
- Creates common platforms;
- Defines an educational framework to be followed by all countries;
- Perhaps their most important contribution: create lines to fund financial educational projects. The European Commission has opened funding lines (such as Horizon 2020, defined as “the biggest EU Research and Innovation
programme ever with nearly €80 billion of funding available over 7 years”\textsuperscript{16}) with specific objectives regarding, mainly, health, technology and the environment. The importance of financial education is unequivocally equivalent to the importance of these topics. So, by defining these financial instruments, European organizations will give a sign that in fact they recognize the importance of the issue and most importantly that they intend to help countries. Analysis of the Horizon 2020 programme’s sections shows that financial education could be integrated into the Societal Challenges line: Europe in a changing world – inclusive, innovative and reflective societies. This line will promote projects that reduce population exclusion: which is in fact what financial education aims to achieve.

Following the information above it is possible to conclude that in fact European authorities play a key role in the success or not of national strategies as they are responsible for aggregating efforts and create conditions (including initiatives) to promote the main goal: financial inclusion.

6.1.2 National Leading Authorities

After analysing a number of case studies, including in European contexts, we strongly recommend that each country create a Superior Commission composed by the national financial regulators such as The National Central Bank, the Regulator of insurance markets and pension funds and, finally, the Stock Exchange Market Commission.

Bearing in mind that the National government recognizes the importance of defining a National Strategy for Financial Education, this Commission must be created by decree, which details their competences. It is totally incumbent that their responsibilities are:

- Definition of a National Financial Education Program;
- Identification of national needs and definition of a specific strategy for each target;
- Identification and selection of stakeholders to be involved;

- Definition of timelines and guidelines;
- Identification of goals of the strategy;
- Creation and coordination of Committees and working-groups for each specific theme;
- Creation of a code of conduct to be applied to all stakeholders;
- Development and approval of own bylaws;
- Establishment of a budget (on annual and also total basis) for the national strategy to be evaluated and approved by the Government.

These responsibilities follow their mission: to provide consumers with the necessary material to empower them with enough financial education knowledge to ensure more aware decision making.

### 6.1.3 National Advisory Committees

These national committees should include all national stakeholders listed below and where possible contribute to defining the national programme and contribute to its implementation.

Stakeholders represent an important piece of the National strategy puzzle. Therefore, their selection needs to be very careful in order to ensure all of them will be aligned with the national objectives. The Commission should involve different institutions at different stages of the strategy.

The strategy must incorporate local, municipal, federal and national stakeholders. Local institutions will perform a key role as they are the ones in contact with local communities and know better their specific needs. Hence, they will help national bodies to understand the need to adapt the common strategy. It is expected that some of these will be not-for-profit stakeholders. The strategy must also look at including both government and non-government players.

The Commission should also consider the relevance of including or not private and not-for-profit stakeholders in the project and at which phase they should be considered (that is, during the development or implementation phase). Some of these institutions are:
• Industry (including representatives from SME’s) and consumer associations: these provide information about difficulties and complaints consumers report when they need to access financial services or understand basic information in invoices and other standard information;

• The Media: a key delivery channel which needs to be trained to correctly pass on the information the Commission wants to broadcast to the whole population;

• Academic community and universities: The Commission and respective Committees must invite these stakeholders to be involved in the process of manuals production;

• Teachers’ associations: must be involved in the process of training teachers and, together with the Education Committee, define the best approach for teachers and students;

• International and national NGOs active in the field: in light of what we presented above, one of the most important organizations that most contributes to the development and implementation of financial education in schools and, in some cases, among adults, is Junior Achievement. All countries are unanimous confirming the huge importance of this NGO. All work is done on a voluntary basis and consists of creating manuals and inviting volunteers with different backgrounds to spend time in school, teaching students. We underline the importance of involving these kinds of institutions. Undoubtedly, they are one of the most active players around financial education activities. Equally important is the Child Youth Finance International, in providing information, content and statistics on the evolution of national programmes around the world.

A social responsibility component must be promoted in the private sector with guidance in the correct implementation of the strategy. It is recommended that the private sector be involved from the development phase in order to sensitize them to the importance and impact it has in their sector and on society in general. Nevertheless, the leading authority cannot forget to monitor their activities to avoid any potential conflicts of interest and to prevent economic interest from outweighing the social importance of the strategy. In line with other countries’ policies, the Commission can define which specific percentage of their after tax results will be allocated to finance the national action plan.
The bigger the country the more diverse is its culture, needs and linguistic terms. In order to align all interests, the Commission must create a code of conduct. This code of conduct should guarantee that organizations will participate voluntarily, without any profit goal from the strategy, unless it is previously defined and considered by the Commission for the code.

6.2 Diagnosis of financial literacy needs and identification of existing initiatives

The second step is to characterize the status of financial literacy at each member state and to identify the existing initiatives on financial education. This step will highlight the different development stages of the various member countries and will be the basis for the identification of the priorities at country-level and at European Community level.

6.2.1 Financial literacy needs

Countries must study quantitative and qualitative information in order to better understand the national context and so better define a strategy to improve the financial skills (knowledge), behaviour and attitudes of the population. They need to know in which areas citizens have more difficulty or at which level their financial literacy is lower: some countries will find that their population is not aware about basic financial concepts whereas others will realize that they are but they need to be motivated to think about future perspectives and act accordingly.

1st Assessment of population needs: Surveys of financial literacy

Countries must develop national financial literacy surveys. The survey aims to assess about the financial literacy levels of the general population and includes an assessment of the evolution and impact of financial education policies by conducting periodic surveys to the population (of 5 in 5 years).

The inquiry should focus on a sample representative of the population and the investigation should capture the three relevant dimensions of financial literacy: knowledge, behaviour and attitudes. The survey should be based on guidelines suggested by reputable institutions such as the OECD/INFE or World Bank.
Through its INFE, OECD has been developing tools and methodologies which help countries to identify the key areas where they should focus, as well as to assess current behaviour, knowledge and attitudes (OECD, 2011b, 2015a). It is strongly recommended to follow international guidelines and tools in order to benchmark the results with other countries. These guidelines have been tested in some countries and even as pilot-tests in some regions. We encourage countries to previously contact the referred bodies to know if the version of the questionnaire they are using is the most recent and to get information from them about the best way to organize the data.

There are well-known guidelines tested and used by different countries. The phases proposed on OECD’s guidelines (2011b) are:

- **Definition of the questionnaire:** national organisations should implement international surveys to enable comparisons between countries. Those surveys have been adjusted to assess different groups of populations, with different educational levels and socio-economic contexts. The surveys should be divided into different parts: background questions, money matters, general questions about money, a section with a quiz and questions about the respondent and his/her household. These questions may be completed with others focusing on national circumstances. Finally, the questionnaire must be direct and simple to understand and should be tested on a pilot group.

- **Sample and the role of survey agencies:** To allow for international comparisons, the sample must include adults between the ages of 18 and 79, with different educational contexts; the interviews should be done by telephone or face-to-face. Countries should interview at least 1000 people in order to have a representative sample. The selection of the sample is key. Countries or national bodies should contact survey agencies in order to have professional help in organizing the context in which to apply the survey and also select the sample.

- **The role of interviewers:** The survey agency must ensure that they truly understand the main goals of the surveys by providing them with enough information to guarantee a good quality of the survey and that they are able to motivate potential respondents to participate in them.

- **Data collection:** It is possible that higher numbers of some demographic groups, such as the elderly, students and homemakers will participate in the surveys than
is desired and this may bias the sample. So, after the survey, during the process of preparation of the results, this anomaly needs to be eliminated by using appropriate econometric technics. The sample must be representative. Potential respondents should be contacted by telephone at different times during the day and it must be explained to them what kind of questionnaire it is and encourage them to be involved in the process by responding to some preliminary questions.

- **Analysis of results**: It is recommended countries follow OECD instructions to implement and evaluate a questionnaire. The results of analysis will put in evidence the current state of the country in this regard, highlight some of the dimensions to focus on financial education programme and allow comparative analysis with future periodic surveys to put in evidence the evolution and impact of the program in global terms.

2nd Assessment of population needs: Consumer complaints

The surveys must be seen as part of this study and not a study in itself. They need to be treated as one piece of the puzzle. Countries must also evaluate qualitative information provided by consumer complaints, sectorial and periodical surveys carried out by financial institutions and others with which consumers deal in their daily lives.

By integrating the quantitative information provided by questionnaires with the qualitative information from consumer complaints countries will be able to assess national needs. It will allow them to start to define their strategy by identifying the key ideas to implement, main targets to focus on and which information the population requires in terms of financial literacy. Furthermore, countries should also participate in international assessments to measure the level of financial literacy of a specific target, such as young adults (eg. through PISA). By doing this they will also share and receive information from other countries whereupon they will be able to define their strategy, adapted to national context.

6.2.2 Identification of existing initiatives

Following the first step (assessing financial literacy needs), countries must identify existing initiatives before defining and implementing a financial education policy. These
initiatives are frequently developed by local institutions, with volunteer work next to small communities.

Countries must define a plan to keep track of these bodies and their initiatives. Around the world we can find examples of the best way to do this. A website may be created to invite all stakeholders working on financial literacy matters to register there their initiative and, if possible, to provide some information about it.

Another possibility is to organize conferences and workshops to attract these bodies and invite them to share their experience, as well as doing internet research and consulting with stakeholders.

Countries should also use international practices recommended by the OECD/INFE (2012) to find these initiatives and stakeholders. The Commission should organize these players by themes and targets and promote networking in order to potentiate the results. This means that they should be organized according to their main aims and should provide information as to whether they act at a national, federal or municipal and/or local level.

Additionally, we suggest that the Committee defines the criteria and conditions they should identify in these bodies in order to select which of them will be included as official partners in the national strategy. Criteria such as the following must necessarily be identified:

- Independent stakeholder, without financial interest in the initiative;
- No private sector, requiring any benefit from it. The Commission can only accept private institutions after analysing and discussing their aims with other stakeholders and if they find evidence of genuine interest coming from social responsibility;
- Stakeholder involved in some of the areas the strategy will cover;
- Stakeholder for the sector consumers use in their daily lives as well as representing bank, insurance and pension funds;
- International expert that has worked with financial educational strategies.
We encourage the committee to share information from international initiatives with national partners and periodically organize workshops to explore that information and to support them in the implementation of those good practices.

Furthermore, we recommend that a European organization, such as the European Commission, recognize the importance of sharing partners’ experiences and create a platform, complemented by a forum, which can be managed by a European supervisor, to share and manage their initiatives. This would create the necessary conditions to promote an exchange of volunteers between these partners and help them to experience circumstances than their own and learn from them. In such a forum the initiatives should be organized by theme and area of activity, allowing them to see and realize which initiatives countries have for the same context.

By identifying current stakeholders as well as existing initiatives countries will have enough information to evaluate the quality and efficiency of these initiatives and the importance of each stakeholder’s role, thus allowing them to select which institutions will participate actively in the national strategy as well as obtaining information to be included in the national plan. Sometimes these bodies work directly with the local population so they represent an important means to directly reach the population and they may play a relevant role in helping national institutions to define the best way to reach them.

6.3 Defining strategy and action plan

In the first instance, the strategy should be set at European level in a sufficiently generic form, defining the generic results to be achieved globally. This strategy should be defined by the European authority leader in communion with the representatives of all member states.

Consistently, national authorities will be responsible for defining its own strategy taking into account the specificities of the country. At this stage, the national strategies should consider the survey results to the population and existing initiatives. This process should also be shared with the national advisory Committees. National strategies should then be submitted to the European authority.

The strategies should define:
• Goals and priorities;
• Target groups;
• Partner institutions;
• Communication strategy;
• Funding resources;
• Action plan.

6.3.1 Policy objectives and priorities

The European financial education policy has to be inclusive: beneficial to every citizen and mainly to the most disadvantaged groups. This means that it should consider the needs occurred in all life’s phases. This represents the main goal of the plan and national initiatives. Besides the inclusion objective, the strategy must follow others:

• Empowering citizens with financial education knowledge to ensure more aware decisions;
• Creating conditions to prosecute the objective of having an efficient and in some cases more regulated financial, capital and insurance markets;
• Promoting legal adjustments to ensure equal access to financial services and products.

We should distinguish between European and national goals.

The objectives of Europe should be generic and simple, the European body responsible for financial education policy should congregate the national policies. Alongside this, the European mechanism must create conditions for the development/promotion of the financial education policy. The most important part of the education policy must be defined and implemented at the national level. The national policies must be aligned with the European goals and adjust their guidelines to the national context. National authorities should identify the specific national priorities and define the plan based on this. The countries must define the financial issues to be covered by the plan and based on the survey’s findings they should identify what is(are) the target(s).

All countries must consider, at least, some basic concepts in their action plans. Additionally, they may consider some others, according to the national context. In both
cases the different stages of life must undoubtedly be considered. How a population faces these different stages may depend on their financial literacy.

6.3.2 Target groups

Each country should define the target groups according to their specific contexts, identifying priorities.

The information provided by the introductory survey will help countries to defined the priority target groups. All of them have different characteristics and the approach of the theme to them needs to be well defined to reach the expected results.

Some of the possible target groups are:

- **Youth and children**

  Considered a privileged group to the extent that the financial learning process appears at an early stage of life most likely to influence your financial well-being present but especially future. The youth of today are the adults of tomorrow. It also produces collateral effects on their families.

  Schools are a privileged vehicle for information. The strategy should be implemented from the earliest stages of school, independent of the national context. The content of the national plan must be defined with the Educational Committee and, of course, the Education Ministry.

  Recognizing that financial literacy contributes to economic stability, its content should be included in the national education plan. Informational material needs to be prepared for each of the topics covered by the plan, distributed to the stakeholders involved and each one discussed with them. The Minister of Education should also be consulted in order to help to communicate and prepare the material in a more pedagogical way and using accessible language for each school level. Alongside this work, financial institutions should be involved in the whole process, by providing more information about products on the market and creating more aware clients for the future.
Adults

Among adults the diversity of contexts is so wide that the Commission and its Advisory Board should define an action plan for each one.

We believe countries must be ambitious in the definition of their goals and they should not forget that the master goal is financial inclusion. Therefore, as much as possible they must involve all citizens in the project:

- **Low income group**: unemployed and low income employees;
- **Young parents**: they face the challenges of balancing their emotions with the need to control the budget they had before having a baby. It is a phase of great expenditure and in some cases they also have mortgage commitments. Some basic tips may alert and help them with the management of their budget and reallocation of their savings;
- **Young workers**: it is important to give them the perception that there is uncertainty in the future and that we must save. Additionally, they have to be aware that Social Security is bankrupt around the world and they have to save and plan.
- **Contracted workers**: they should be monitored during this period and savings and investments must be explained to them as well as the need of prepare for unexpected events and for retirement;
- **Seniores**: one of the objectives of the national policy is to ensure that the population, especially the younger generations, start to plan for their future, including their retirement. Current pensioners must be supported with relevant information and banks and other financial institutions should create and train bank employees to support this target. It is important to explain to them about the risk and timeline of financial products as well as about the pension funds they may subscribe to;
- **Entrepreneurs**: sometimes they do not know anything about financial services and products, which are tailored to their needs. Usually they have high academic levels, but not necessarily in finance, so at some point they may be at the same level as other adults. Additionally, their doubts are about the company they have just started, most of them start-ups. Among their needs we may include credit
applications, state subsidies, self-employment and alternative ways of funding their company (risk companies);

- **SME:** In some cases, they are family-run companies with reduced knowledge of financial (and also tax) instruments and their business may suffer if they do not have a good management team.

- **Migrants:** in order to allow an easier integration in a new country they need to be taught about basic financial concepts and national financial context.

- **Financial Institutions employees:** their needs are different. They must be taught how to detect bank fraud, phishing, digital banking services and other related concepts.

The main topics of the programme should be adapted according to the national context and to the needs of each target group. This means the general idea of the programme may be adapted to include basic concepts such as savings, insurance, private debt management or pass on to more complex concepts such as financial products and alternatives ways of financing.

Independent of the target and of the main concepts to be presented, the strategy should include awareness of future retirees for the need to start immediately to prepare for their future and to plan the next stages of their lives. Additionally, it must introduce to future retirees different options for pension plans and different benefits schemes.

### 6.3.3 Partner institutions

Identification of partners, institutions/national organizations, that can collaborate in implementing the strategy and identifying of its form of involvement. On the one hand, it is important to integrate and benefit from the expertise of institutions that are already on the ground developing initiatives in the area of financial capability. On the other hand, the greater the number of partners the greater will be the scope of the project.

### 6.3.4 Communication strategy

The success of the policy will depend on the mobilization capacity of key policymakers in all Member States. As we have seen, there are countries that have not yet identified
this area as a priority. This should be the first performing area of the European leader authority that should culminate in the creation of the European Commission for Financial Education and the identification of National Representatives.

Secondly, success will also be dependent on the effectiveness of awareness campaigns for the entire population, alerting for urgency of the theme and the benefits of improved financial literacy levels in terms of financial well-being of the population.

The country must publicize the national strategy and produce materials in several formats in order to mobilize all population.

All stakeholders must be invited to publicize the same/standard information on their websites and other communication channels.

Countries must be aware of the fact that the national plan may be very well designed but if the communication strategy is not carefully planned the program may fail. It is important to communicate the information and the message needs to be clear and simple and adjusted to the target group.

The strategy can be communicated using the following means:

- **Official website:** There should be an official website managed by the European leader. The national authorities should also have their own site to convey the national strategy but also to support its implementation. In these websites should announce the many initiatives taking place along the implementation phase, have information about relevant topics on financial education, have the links for the relevant bodies and organizations, etc.

- **Websites of all stakeholders involved:** The existing communication channels of the local partners can be used to reach a broader public.

- **Mass media:** general information should be provided to journalists of all mass media channels to ensure they will transmit the correctly the strategy;

- **Social networks:** aiming to reach not only youngsters but also the broader range of users of these channels;

- **Hoardings in public areas** such as airports, metro, bus and train stations;

- **Roadshows in the whole country,** and small presentations at national financial conferences.
After the announcement of the national strategies the communication of the many initiatives has to be adjusted to their target groups, using some or all these channels as appropriate.

6.3.5 Funding

Each authority, European and the different national authorities, should have an autonomous budget to manage. The national plan also should benefit from European financial instruments.

The strategy should be funded with both public and private resources. The public funds should come from the governments and the European Community budgets. Countries should define the strategy’s budget as a percentage of their GDP or a fixed amount per year. At the same time, each national authority should be responsible to develop fundraising activities and ready to accept voluntary and in-kind contributions from the private sector. It could include individuals, companies (by providing a specific percentage of their net after-tax profit (defined by government)), national associations, professional organizations, and charities (which raise money from financial institutions, individuals and others).

According with the high principles defined by OECD (2012) the financial resources should be spent “for the development, implementation and evaluation of the national strategy”.

Taking into account the possibility of conflict of interest the initiatives promoted by the program should not be funded directly by financial institutions, as recommended the best practices suggested by the (OECD, 2015b). Being relevant their contribution, it should be made indirectly through sectorial associations (banking associations or insurers, for example).

It is recommended that the budget defined and proposed by the Commission and approved by government should be managed by the Supervisory Committee. In fact, the budget needs to be centralized but the Commission must suggest how it should be distributed among the different stakeholders, according to the proposed initiatives for that specific
year. The same rule should apply for the European budget, it means that the funds should be distributed according with the annual national plan defined by each member-state.

### 6.3.6 Action plan

The roadmap will identify all of the above dimensions (goals and priorities, target groups, partners, communication channels and funding) but also define the action plan, ie, measures to be implemented in the short, medium and long term and that achieve set goals, using the resources identified.

In order to implement the strategy a roadmap should be drawn up with objectives and priorities. The roadmap should also consider the target and resources to be allocated to it. Additionally, (and once again) it needs to be flexible enough to adapt to possible changes and unexpected needs.

The action plan will allow the Commission to supervise the plan as well as stakeholder’s actions. The document must include the following requirements:

- The first part outlines the objectives of the strategy, the stakeholders involved, as well as the milestones;
- It must specify action for the short, medium and long term;
- It should define precise targets, ways to reach them and the expected outcomes of these interventions;
- A Communication policy to spread the information about the results of the preparatory survey, the subsequent policy and its stakeholders;
- Delivery channels for the national strategy.

The timeline to implement the project should be between 3 and 7 years, from the first survey, pilot-test and any necessary adaptations, development and implementation of the strategy up to the first monitoring stage (using surveys, performance indicators and other measures suggested by the (OECD, 2011b).

It is recommended that countries implement a pilot project and also after that, roll out the action plan nationwide. The Commission should justify why they have chosen a specific school or federal state, who the players involved will be, what kind of material will be distributed and for how long the test will take place. It will help other countries to
understand the importance of that decision and also to learn how to define and implement it.

### 6.4 Strategy Implementation

The definition and implementation of the plan should have a coordinated mechanism – Commission - in order to avoid conflicts of interest and guarantee that all bodies involved will implement the same approach and follow the same, centrally defined, principles. This means that the national plan should be defined centrally and implemented locally.

In order to make a complete analysis of the strategy implementation we should consider the follow items:

- Pilot project;
- Training teachers and instructors;
- National initiatives;
- Structural modifications to implement the strategy.

#### 6.4.1 Pilot project

This pilot project concerns only one dimension of national programs: the financial education program integrated in the official education plan and aimed children and youth.

An important step in the implementation phase is to develop a pilot project in a few primary and secondary schools in the same region. The selection of the region should be based on the initial survey. This pilot project will provide relevant information to understand its possible impact nationwide and to identify the adequate adjustments towards its application nationwide. This may be done over a period of one year.

After this, the findings will help the national authority and the Committee to understand what should be modified and applied to the whole country. In order to fully understand the impact a survey must be carried out before and after the pilot-test.
6.4.2 Training teachers and instructors

A trainers training campaign should be implemented, whether the target are teachers of the basic education and secondary schools, in order to promote the integration of financial education program in official education, whether they are trainers of programmes for adults.

All phases are critical but, in fact, this is one of the most important because, if teachers do not clearly understand the need, importance and objectives of the strategy they may fail to pass on the information to students. It would be advisable to create a website and, in particular, a forum where they could communicate with other colleagues and share their experiences and doubts. Additionally, the Education Committee should share reports from other countries (including suggestions and recommendations).

Teachers should particularly be worked and motivated by:

- Inviting them to participate in an annual National Education Event/Exhibit and let them share ideas and queries about their own experiences;
- Creating private access to the official website where they can find didactic materials they may use in their classes, as well as forums and information about the implementation of the action plan in all schools;
- Producing videos available on a YouTube channel and which may be used by teachers in class.

The Commission must also promote the creation of an online network of teachers and volunteers (including banking employees who are available to teach some hours in schools).

6.4.3 National initiatives

National initiatives must be drawn up for each target. The basic information is the same but the needs are different.
Initiatives for youth and children

Youth and children have been flagged up as the main target group. Stakeholders must be aware of the need to introduce financial education in a way in which the information can be easily assimilated. Several initiatives and materials should be developed such as:

- **Financial education available** in all primary and secondary schools: this is the most important initiative;
- **Manuals** developed by associations of teachers and universities with the help of Ministry of Education;
- **Games and simulators of financial context**: didactic tools should be created to allow students of all ages (including university students) to have their first contact with, for example, the stock exchange market as well as commercial and financial banks. These simulators can also teach them how to manage a budget or how much they need to save if they want to reach a specific goal (e.g.: buy a house in ten years);
- **Promote European Money Week and Global Money Week**: during which the country promotes events to familiarise students and the academic community with the world of finance;
- **Summer camps**: thematic camps at which students learn more about financial education concepts in a more relaxed context;
- **Production of videos**: available on a YouTube channel, specifically for this target;
- **Promotion of a European/national competition for the best ideas about financial literacy**: this includes concepts such as savings and investments. This competition should be promoted across the different educational levels, including university students;
- **Social networks**: it is recognized that students are on social networks so frequently that they are a key channel by which to contact them and promote interaction with the profile of the official campaign while letting them participate in quizzes, win prizes and read a simplified version of the daily financial news they see on television.
These initiatives are specifically for students. However, some of the following initiatives that will be presented focusing on adults may also be applicable to students.

- **Initiatives for Adults**

It has been previously mentioned that adults represent a wide diversity of demographic types. Nevertheless, some initiatives common to all subgroups could be:

- **Materials and manuals with accessible language**: available on the official website;

- **TV documentary**: aiming to provide people with tips and basic information about managing and investing money. This kind of initiative also intends to alert adults to the need to start to plan for retirement;

- **YouTube channel** where they can find thematic videos with accessible examples and explanations;

- **Dictionary with financial concepts**: greatly beneficial for adults but also children. This dictionary must also include examples of application of the concepts. Eg.: together with the definition of interest rate there must be an example of how to calculate it;

- **Simulators**: on the official website several tools must be available to enable adults and, in some cases, children to simulate specific contexts, such as investing in the stock market, buy insurance and others;

- **Seminars, workshops and webinars** with free access to all who want to learn about the topic;

- **Financial education apps**: available on mobile phones and with tools to help consumers to register their expenses as well as evaluate their saving rates;

- **Other technological tools**: countries must follow the trend of having all tools at a click’s distance and so they need to explore the impact on consumers’ daily lives, such as by providing information about payment websites and other online facilities;

- **A free helpdesk service** should be created for people and also companies that are facing insolvency.
6.4.4 Structural modifications to implement the strategy

The implementation of the strategy requires some structural modifications to ensure national initiatives will have impact. It means that the national strategy implies the creation of some conditions to guarantee the success of the programme. National initiatives will not have impact if the national context will not be adjusted to ensure consumers will have access to more simplified information. These adjustments may be done in some contexts:

- Legal;
- Financial;
- Technological.

❖ Legal context

The Legal Committee must pay attention to the need to adapt the regulatory framework. They need to be aware that people with a higher financial literacy level will require better financial services and it is necessary to ensure they are regulated and well understand for all citizens. So in some cases it could be necessary to adjust the law.

❖ Financial context

Financial institutions need to address the main concerns financial consumers present to consumer protection bodies and assess if the financial information provided to potential investors is accessible to all consumers.

Additionally, financial institutions are also responsible for ensure a high level of financial and social training of their employees in order to have on their staff professionals able to distinguish between consumers with different needs and levels of knowledge, adapt their speech and, especially, the kind of products they introduce to consumers.

❖ Technological context

New digital technologies are invaluable tools to promote universal access to basic financial services, such as payment websites, and are key channels for disseminating information. At the same time, new products and new financial services appear and may
be a problem if there is no institution to regulate them. Hence, the body responsible for the regulation of financial products and services should suggest a legal context for them as well as should be defined the body responsible for supervising them.

These structural modifications will allow financial education to be an effectively inclusive financial policy.

6.5 Evaluating and monitoring the national strategies

Evaluating the results of a national financial education policy is a relevant step in the strategy and no less important than the previous ones. Countries must monitor the impact of the national strategy on attitudes, behaviour and levels of knowledge of the population.

Countries must repeat the initial survey every five years to assess the real changes in citizens’ behaviour, and refine their strategy in accordance to the results. As we have mentioned, at the time the population’s needs are assessed the survey must give quantitative and qualitative results. Alongside the survey, the efficacy of the delivery channels, the quality of the materials and the other phases of the strategy should also all be evaluated.

6.5.1 Periodic nation-wide financial literacy surveys

Periodic surveys should be implemented to monitor the progress of the strategy. The Supervisory Committee should define which kind of information they want to collect and if necessary create additional indicators each time the financial literacy survey is repeated. Regarding the evaluation of the national strategy, the Committee should implement regular surveys nation-wide and therefore responsible for:

- Defining the main objectives of the survey;
- Defining the indicators to be used;
- Creating the working group responsible for the implementation of the survey;
- Creating an independent working group to analyse the information collected. It is strongly recommended to adopt methodologies used by other countries for comparative reasons;
- Writing up a report to be submitted to the European and National Commissions;
• Suggesting opportunities for improving the performance of the strategy and recommendations for future adaptations to implement within it.

6.5.2 Monitoring of pilot-projects

It was mentioned above that countries must implement a pilot-project before they roll out the strategy to the whole country. Considering the case of the pilot-project, the Commission also needs to distribute the survey to all players involved - teachers, students, parents and the respective Committee or association responsible for the project. Particularly in this kind of project the survey must be prepared carefully in order to identify the main issues to be improved and adjusted to any difficulties identified during the implementation process.

Based on the results obtained, the Commission will adopt the necessary measures and after that implement the strategy at the national level. We suggest that the Education Committee should support the pilot-project with periodical meetings in schools (bearing in mind the target is students) enabling them to anticipate any necessary adaptations to the implementation of the pilot-project. This means that they do not need to wait until the end of the project to assess the effects of the strategy. They may immediately test another approach and thus save time in the future general implementation.

To assess the effect of the pilot-project the Commission must carry out a survey in the period before and after the project. As mentioned previously the survey will be applied to teachers, legal guardians and students. The results will allow the Commission to assess levels of financial literacy.

One important player is the group of teachers involved in the learning process and they need to be prepared and motivated to teach students and families. We believe that even those who are not initially motivated will understand the importance of the project. The same will happen with students. They will start to become more aware and start to save money.
6.5.3 Monitoring of nationally implemented action plans

The philosophy of evaluating pilot projects must be applied to national implementation. The country must use the same metrics and, as was mentioned for the preliminary survey international measures should be used. Countries should also participate in international survey studies to identify opportunities to improve the study and provide suggestions for action the Commission must take in order to reach its goals in good time, as set out in the initial action plan.

The survey may be prepared with interviewers (as we saw in the first part of the chapter) or, as happened in some European countries, it can incorporate some financial education questions in the annual survey distributed to the population.

It is recommended that consecutive surveys follow international measures and if possible the study should be independently of any general national surveys. The focus is different and it should be worked on by the Supervisory Commission independent of general macro national objectives.

Additionally, all stakeholders involved, be they private or public bodies, not-for-profit or profit organisations, government or non-governmental authorities, also need to be questioned about their role, their perception of the impact of the strategy and suggestions made for good practices to be adopted.

6.5.4 Periodical surveys

Although macro surveys need to be implemented every 5 years, national authorities must also develop and carry out quick questionnaires with those who attend conferences and workshops. Their feedback should be collected about the specific topic presented in that specific initiative. All national initiatives implemented should provide a small survey directed at the target that attends the initiatives and also at the stakeholders involved in their development and implementation. The concept is similar to the one implemented for pilot projects. This will allow the Commission to periodically adjust the action plan and introduce ongoing improvements.

In light of what was said about the funding of the strategy above, we strongly recommend that the Commission clearly define and communicate to the Supervisory Committee the
budget for monitoring and evaluating the national strategy’s implementation. Additionally, it should also establish a period during which the survey will be applied and informed in good time of the target of the survey and the stakeholders involved in the survey’s implementation.

European and national committees should prepare a plan of annual basis activities and activity reports which identify and evaluate the initiatives undertaken in the mentioned year.

To sum up, this chapter could show that it is possible to define a common framework to European members. Several other frameworks were defined regarding with other issues. Financial education is only one more challenge Europe needs to face.
7 Conclusions

The present work is about national financial education programmes. The objective was to identify key success factors in existing programmes and to define the guidelines for a European common policy on financial education.

The study starts by analysing five successful case studies in order to identify the most relevant success factors. The analysis allowed us to conclude that, despite the different socio-economic contexts, the definition and implementation of national programmes involved several common characteristics: i) the target groups include in all cases children, women and other vulnerable groups; ii) all the countries recognize the importance of involving stakeholders from different backgrounds, including private organizations, local associations and communities; iii) the main goal of all the strategies is to provide individuals with financial knowledge to ensure that they will be able to make informed decisions; iv) common initiatives are targeted to children, students and young people.

The analysis of the information about the 28 European Union Members confirmed the various development stages they are in with respect to financial education. We can classify them into three main groups: 1) the pioneers, countries that first launched the campaign and are currently revising it; 2) the followers, those that have launched a strategy more recently and seem to be following the steps and actions of the first group; 3) and finally, the group of countries that have not implemented the strategy. In each group it is possible to identify those that have already introduced financial education into school programmes. The last group includes the group of countries that are currently developing a strategy, those that have been waiting for approval to implement the defined strategy and, finally, those that have not given any sign of an intention to develop and implement a strategy in the short term.

Concerning this, it was also important to understand and emphasize the relevant role European bodies develop during the whole process. Without them it would not be possible to talk about a European policy. They represent a natural unifying force for all countries as well as a funding resource for this specific policy.

The two previously mentioned chapters allowed us to put together a guide for the best practices for a European policy, which must be adopted by all members. This chapter
revealed that, in fact, it is possible to fully draw up a common policy. It asks for a central European authority to create a common policy, worked out by all members, where the action plan, guidelines and milestones are defined. Its contents must be adjusted to each country’s context. The European authority must be responsible for the definition of a common strategy as well as the supervision of the national strategies. This will allow Europe to face its challenges with more confidence because European citizens will be better informed.

The study proposes the guidelines for a common European financial education policy, making a reflection on the most important areas: leading stakeholders (role and structure); diagnosis of financial literacy needs and identification of existing initiatives; defining strategy and action plan; strategy implementation; and evaluating and monitoring the national strategies. These guidelines will lead EU and member states to achieve their financial education goals and to provide consumers with financial capabilities in order to increase their financial well-being.

This work had a few limitations. The greatest difficulty was to access information about national strategies among European members. There is little information available and to overcome this difficulty we contacted most of the countries studied for clarifications. Some of them kindly replied to us and provided additional information. We believe that if we had obtained detailed information about some of the countries we could have considered some of them in another group of countries. The major doubts are related to the different realities aggregated in the third group. In some of these cases the available information was somehow contradictory. Different sources of information presented what seemed to be different perspectives.

This study has two important contributions: i) it is the first survey to assess the current status of the national financial education programmes across all EU state members and ii) it draws the relevant guidelines towards the definition of a common European policy.

It is time to take strong action and accept financial education as one way to prevent future economic but also social crisis. We were able to show that, in fact, there are common factors for success. Therefore, it only needs action to be taken to implement a common strategy.
## Appendix A – An overview of the successful case studies

<table>
<thead>
<tr>
<th>South Africa</th>
<th>Saudi Arabia</th>
<th>Singapore</th>
<th>Brazil</th>
<th>Portugal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Background context</strong></td>
<td>The country follows Islamic values and in 2011: 90% of the citizens were Arabs, Most were between 15-64 years old and male, 60% lived in big cities, rapid population growth expected, more relevant role of the private sector</td>
<td>Singaporeans tended to overestimate their knowledge of financial literacy topics, Citizens did not recognize the national programme and its activities, Most interested groups: students, working marriads and working parents, Least interested groups: retirees and the more vulnerable</td>
<td>The country was experiencing significant changes, the Government was able to control the high levels of inflation, The size of the middle class grew a lot, reflected in increased credit</td>
<td>11% of disposable income as opposed to European average (13.2%) or Spanish rate (18%), Country operated under guidance of international financial institutions, Political decision which decreased the saving rate, the rate of indebtedness in families was around 130% and debts increased significantly</td>
</tr>
<tr>
<td><strong>Assessment (introductory survey)</strong></td>
<td>National survey of financial literacy (2011, OECD/INFE survey). Main goals: Identification of the target groups and the main topics to work on in the next strategy</td>
<td>Mastercard Worldwide Index of Financial Literacy (2012), National survey of financial literacy (2014, based on OECD/INFE Financial Literacy Measurement Survey)</td>
<td>National survey of financial literacy in 2005. The results were very encouraging with some exceptions: Singaporeans were not aware of financial products and how to save for the retirement</td>
<td>National survey implemented by Portuguese Central Bank in 2010. Main conclusions: People with lower financial educational knowledge were trading in stock markets products with high risk, High demand for retirement savings plans(PPR), It was necessary to implement a national plan as soon as possible while the country was operating under Troika's guidance</td>
</tr>
<tr>
<td><strong>Launch date of first strategy</strong></td>
<td>2001, revised in 2013</td>
<td>2010-2014 (5 year time frame)</td>
<td>2003, being revised</td>
<td>Implemented in 2010</td>
</tr>
<tr>
<td><strong>New strategy since</strong></td>
<td>2013</td>
<td></td>
<td></td>
<td>2013</td>
</tr>
<tr>
<td><strong>Leading authority / Implementing body</strong></td>
<td>Financial Services Board (FSB), coordinated by National Consumer Financial Education Committee (NCFEC), which is controlled by the National Treasury</td>
<td>Capital Market Authority (CMA)</td>
<td>Moneysense Financial Education Steering Committee (FESC)</td>
<td>National Committee on Financial Education (CONEF)/Association of Financial Education in Brazil (AEF-BRAZIL)</td>
</tr>
<tr>
<td><strong>Main stakeholders to implement the strategy</strong></td>
<td>Government, Schools, Local communities and consumer associations, financial institutions</td>
<td>Working Group for Financial Education headed by the Ministry in Finance and integrating players from the private and non-private sector, such as Saudi Stock Exchange, media, financial experts, consumer associations, SMEs, youth and women,</td>
<td>Various ministries, financial supervisors, Moneysense-Singapore Polytechnic Institute for Financial Literacy, Consumers' Association and local bodies</td>
<td>Government and non-government organisations, public and private bodies, representing the four financial regulators, ministries, financial institutions, consumer</td>
</tr>
</tbody>
</table>

**Background context**

- High levels of unemployment (between 25% and 32%),
- high rates of adults excluded from the financial system (without, for example, a bank account),
- low level of savings,
- no knowledge of financial products,
- increasingly complex product offerings

**Saudi Arabia**

- The country follows Islamic values and in 2011:
  - 90% of the citizens were Arabs,
  - Most were between 15-64 years old and male,
  - 60% lived in big cities,
  - rapid population growth expected,
  - more relevant role of the private sector

**Singapore**

- Singaporeans tended to overestimate their knowledge of financial literacy topics,
- Citizens did not recognize the national programme and its activities,
- Most interested groups: students, working marriads and working parents,
- Least interested groups: retirees and the more vulnerable

**Brazil**

- The country was experiencing significant changes,
- the Government was able to control the high levels of inflation,
- The size of the middle class grew a lot, reflected in increased credit

**Portugal**

- 11% of disposable income as opposed to European average (13.2%) or Spanish rate (18%),
- Country operated under guidance of international financial institutions,
- Political decision which decreased the saving rate, the rate of indebtedness in families was around 130% and debts increased significantly

**Assessment (introductory survey)**

- National survey of financial literacy (2011, OECD/INFE survey). Main goals: Identification of the target groups and the main topics to work on in the next strategy
- National survey of financial literacy in 2005. The results were very encouraging with some exceptions: Singaporeans were not aware of financial products and how to save for the retirement

**Launch date of first strategy**

- 2001, revised in 2013
- 2010-2014 (5 year time frame)
- 2003, being revised

**New strategy since**

- 2013

**Leading authority / Implementing body**

- Financial Services Board (FSB), coordinated by National Consumer Financial Education Committee (NCFEC), which is controlled by the National Treasury
- Capital Market Authority (CMA)
- Moneysense Financial Education Steering Committee (FESC)
- National Committee on Financial Education (CONEF)/Association of Financial Education in Brazil (AEF-BRAZIL)
- National Council of Financial Supervisors

**Main stakeholders to implement the strategy**

- Government, Schools, Local communities and consumer associations, financial institutions
- Working Group for Financial Education headed by the Ministry in Finance and integrating players from the private and non-private sector, such as Saudi Stock Exchange, media, financial experts, consumer associations, SMEs, youth and women,
- Various ministries, financial supervisors, Moneysense-Singapore Polytechnic Institute for Financial Literacy, Consumers' Association and local bodies
- Government and non-government organisations, public and private bodies, representing the four financial regulators, ministries, financial institutions, consumer
- Several stakeholders from public and private sector and the Council created four Committees: Coordinating Committee, Monitoring Committee 1,
<table>
<thead>
<tr>
<th>National Strategy</th>
<th>Most relevant National Initiatives</th>
<th>Target</th>
<th>Delivery channels</th>
<th>CYFI and SAMA (Saudi Arabian Monetary Agency)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main goals:</td>
<td>Initiatives defined according to the target: Students:</td>
<td>Mainly children between 9-14 years old and then women, low income earners and SMEs</td>
<td>Mainly children between 9-14 years old and then ...</td>
<td>Working adults, Students</td>
</tr>
<tr>
<td>● Define key performance indicators and other tools to evaluate the performance of the action plan;</td>
<td>● Global Money Week, Competitions, Caravan to travel around the country with various materials and gifts for children, in the academic year of 2010-2011 the topic of “Financial investments and the Stock Markets”</td>
<td>● Mainly children between 9-14 years old and then women, low income earners and SMEs</td>
<td>● Smart Investor Magazine, Workshops, Official website <a href="http://www.smart-investor.net">www.smart-investor.net</a> and general powerpoint presentation</td>
<td>● Moneysense website, Mass media channels, Official website <a href="http://www.mylifemymoney.co.za">www.mylifemymoney.co.za</a>, Workshops and seminars, Official website, TV shows, seminars and workshops, Didactic materials for schools, competitions and quizzes for students, seminars and workshops, official website, guides about savings, explanations of financial services and products, TV shows, Production of guides and manuals for primary and secondary schools (students and teachers), provided by the Ministry of Education and universities, Preparation for introducing financial education topics in maths or civic education curriculums in schools,</td>
</tr>
<tr>
<td>● Provide a plan to involve stakeholders in the same objective;</td>
<td>● 4-9 Zakat and taxation</td>
<td>● Mainly children between 9-14 years old and then women, low income earners and SMEs</td>
<td>● Smart Investor Magazine, Workshops, Official website <a href="http://www.smart-investor.net">www.smart-investor.net</a> and general powerpoint presentation</td>
<td>● Moneysense website, Mass media channels, Official website <a href="http://www.mylifemymoney.co.za">www.mylifemymoney.co.za</a>, Workshops and seminars, Official website, TV shows, seminars and workshops, Didactic materials for schools, competitions and quizzes for students, seminars and workshops, official website, guides about savings, explanations of financial services and products, TV shows, Production of guides and manuals for primary and secondary schools (students and teachers), provided by the Ministry of Education and universities, Preparation for introducing financial education topics in maths or civic education curriculums in schools,</td>
</tr>
<tr>
<td>● Contribute to population's well-being by creating conditions to help them to</td>
<td>● Daily financial management, Budgeting, Investments and savings, 4-9 Zakat and taxation</td>
<td>● Working adults, Students</td>
<td>● Moneysense website, Mass media channels, Official website <a href="http://www.mylifemymoney.co.za">www.mylifemymoney.co.za</a>, Workshops and seminars, Official website, TV shows, seminars and workshops, Didactic materials for schools, competitions and quizzes for students, seminars and workshops, official website, guides about savings, explanations of financial services and products, TV shows, Production of guides and manuals for primary and secondary schools (students and teachers), provided by the Ministry of Education and universities, Preparation for introducing financial education topics in maths or civic education curriculums in schools,</td>
<td>● Moneysense website, Mass media channels, Official website <a href="http://www.mylifemymoney.co.za">www.mylifemymoney.co.za</a>, Workshops and seminars, Official website, TV shows, seminars and workshops, Didactic materials for schools, competitions and quizzes for students, seminars and workshops, official website, guides about savings, explanations of financial services and products, TV shows, Production of guides and manuals for primary and secondary schools (students and teachers), provided by the Ministry of Education and universities, Preparation for introducing financial education topics in maths or civic education curriculums in schools,</td>
</tr>
<tr>
<td>○ learn where find information and kind of content about financial services and products,</td>
<td>● Daily financial management, Budgeting, Investments and savings, 4-9 Zakat and taxation</td>
<td>● Mainly children between 9-14 years old and then women, low income earners and SMEs</td>
<td>● Smart Investor Magazine, Workshops, Official website <a href="http://www.smart-investor.net">www.smart-investor.net</a> and general powerpoint presentation</td>
<td>● Moneysense website, Mass media channels, Official website <a href="http://www.mylifemymoney.co.za">www.mylifemymoney.co.za</a>, Workshops and seminars, Official website, TV shows, seminars and workshops, Didactic materials for schools, competitions and quizzes for students, seminars and workshops, official website, guides about savings, explanations of financial services and products, TV shows, Production of guides and manuals for primary and secondary schools (students and teachers), provided by the Ministry of Education and universities, Preparation for introducing financial education topics in maths or civic education curriculums in schools,</td>
</tr>
<tr>
<td>○ adapt the management of money to different stages of life and</td>
<td>● Daily financial management, Budgeting, Investments and savings, 4-9 Zakat and taxation</td>
<td>● Mainly children between 9-14 years old and then women, low income earners and SMEs</td>
<td>● Smart Investor Magazine, Workshops, Official website <a href="http://www.smart-investor.net">www.smart-investor.net</a> and general powerpoint presentation</td>
<td>● Moneysense website, Mass media channels, Official website <a href="http://www.mylifemymoney.co.za">www.mylifemymoney.co.za</a>, Workshops and seminars, Official website, TV shows, seminars and workshops, Didactic materials for schools, competitions and quizzes for students, seminars and workshops, official website, guides about savings, explanations of financial services and products, TV shows, Production of guides and manuals for primary and secondary schools (students and teachers), provided by the Ministry of Education and universities, Preparation for introducing financial education topics in maths or civic education curriculums in schools,</td>
</tr>
<tr>
<td>○ teach awareness in decision making, based on personal context. Main themes:</td>
<td>○ financial planning, financial knowledge, product choice and financial control</td>
<td>○ financial planning, financial knowledge, product choice and financial control</td>
<td>○ financial planning, financial knowledge, product choice and financial control</td>
<td>○ financial planning, financial knowledge, product choice and financial control</td>
</tr>
<tr>
<td>Funding</td>
<td>The Financial Services Consumer Education Foundation receives donations from financial institutions through a special tax of their after tax profits (in 2013 this was 0.30% while in 2014 it was 0.40%)</td>
<td>The national activity was co-funded by the Financial Sector Development Fund to the tune of about $1 million per year.</td>
<td>Recognizing the scarcity of funds, CONEF promoted debates between strategic players from private sector and civil society to help support national initiatives. The budget for 2013-2015 was around $4.3 million</td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Monitoring of the strategy</td>
<td>Every 5 years. However FSB will revise annually the results of national initiatives and adapt the strategy</td>
<td>Periodical surveys to assess population needs and behaviours</td>
<td>The first large scale monitoring phase will be in 2015, following the OECD's recommendations</td>
<td></td>
</tr>
<tr>
<td>Curiosities</td>
<td>Each stakeholder has relevant autonomy, Use of electronic voting system to get immediate and anonymous feedback from consumers after each initiative</td>
<td>The Saudi Arabia Government also felt that it should promote some training for journalists, to help spread information about the program with the right content. It was done separately for women and men.</td>
<td>Pilot project implemented in a sample of 891 schools, national strategy published in decree, the strategy underwent adaptations to local needs, significant divergence in development levels between regions, pilot project in basic and secondary schools</td>
<td></td>
</tr>
</tbody>
</table>

Table 1 – An overview of the successful case studies
## Appendix B – An overview of European national strategies

<table>
<thead>
<tr>
<th>Countries</th>
<th>Current situation of strategy</th>
<th>Frequency of evaluation</th>
<th>Strategy time horizon</th>
<th>When was the first strategy implemented?</th>
<th>Target -groups</th>
<th>Funding resources</th>
<th>Who is leading the strategy?</th>
<th>Fin. Ed. as part of school curriculum?</th>
<th>Ranking in PISA study (2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>No Nat. Strategy (NS)</td>
<td></td>
<td></td>
<td></td>
<td>Students and teachers</td>
<td></td>
<td>No</td>
<td>Did not take part</td>
<td></td>
</tr>
<tr>
<td>Belgium</td>
<td>No NS</td>
<td></td>
<td></td>
<td></td>
<td>Diverse targets, including public companies and bank employees</td>
<td>No</td>
<td>Flemish region, 2nd</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bulgaria</td>
<td>No NS</td>
<td></td>
<td></td>
<td></td>
<td>Pensioners and students</td>
<td></td>
<td>No</td>
<td>Did not take part</td>
<td></td>
</tr>
<tr>
<td>Croatia</td>
<td>Implemented NS</td>
<td>2015-2020</td>
<td>2015</td>
<td>Families and SMEs</td>
<td>The Ministry of Finance leads the National Committee for Financial Literacy</td>
<td>Yes</td>
<td>11th</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cyprus</td>
<td>No NS</td>
<td></td>
<td></td>
<td>Mainly students and some programs for adults</td>
<td>No</td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Czech Rep.</td>
<td>Implemented NS</td>
<td>2010 -</td>
<td>2010</td>
<td>Students and adults, mainly vulnerable people</td>
<td>Private sector, European Social Fund and Banks</td>
<td>Yes</td>
<td>5th</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>No NS</td>
<td></td>
<td></td>
<td>Students</td>
<td>Yes</td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estonia</td>
<td>Implemented NS</td>
<td>2013-2020</td>
<td>2013</td>
<td>Students and adults</td>
<td>Ministry of Finance</td>
<td>No</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>No NS</td>
<td></td>
<td></td>
<td></td>
<td>No</td>
<td>9th</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>NO NS</td>
<td></td>
<td></td>
<td>Children and young</td>
<td>No</td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greece</td>
<td>NO NS</td>
<td></td>
<td></td>
<td>Students</td>
<td>No</td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country</td>
<td>NS Status</td>
<td>National Strategy (Year)</td>
<td>Target Groups</td>
<td>Implementing Body</td>
<td>Optional</td>
<td>Did not take part</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Hungary</td>
<td>NO NS</td>
<td>Students</td>
<td>Central Bank of Hungary</td>
<td>Optional</td>
<td></td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ireland</td>
<td>NO NS</td>
<td></td>
<td>No</td>
<td></td>
<td></td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>Are considering a NS</td>
<td>Mainly children and students</td>
<td>No</td>
<td></td>
<td>16th</td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Latvia</td>
<td>Implemented NS</td>
<td>2014-2020</td>
<td>General population</td>
<td>Mainly state and local funds, and European funds</td>
<td>Cross-Sectoral Coordination Centre</td>
<td>Yes</td>
<td>8th</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lithuania</td>
<td>Implemented NS</td>
<td>2013-2013</td>
<td>General population: from children to pensioners</td>
<td>Central Bank of Lithuania</td>
<td>No</td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Luxembourg</td>
<td>NO NS</td>
<td>Children and sometimes youth</td>
<td>No</td>
<td></td>
<td></td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malta</td>
<td>NO NS</td>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td>Implemented NS</td>
<td>Continuous evaluation</td>
<td>2008-2008, the strategy was adapted in 2013 in results of surveys’ results</td>
<td>Ministry of Finance, Dutch Banking Association and Central Bank</td>
<td>No</td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poland</td>
<td>At an advanced state of design NS</td>
<td>2011-2011</td>
<td>Low income people, teachers and students</td>
<td>Central Bank of Poland</td>
<td>Yes</td>
<td>6th</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portugal</td>
<td>Implemented NS</td>
<td>2011-2015</td>
<td>Students (including universities), workers and vulnerable groups</td>
<td>National Council of Financial Supervisors</td>
<td>Yes</td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Romania</td>
<td>At an advanced state of design NS</td>
<td>2011</td>
<td>Low income people, teachers and students</td>
<td>Central Bank of Poland</td>
<td>Yes</td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Slovakia</td>
<td>No NS</td>
<td>Students</td>
<td>Yes</td>
<td></td>
<td>14th</td>
<td>Did not take part</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Slovenia</td>
<td>Implemented NS</td>
<td>2009-2009</td>
<td>Students and families</td>
<td>Yes</td>
<td>9th</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>Implemented NS</td>
<td>2011-2012</td>
<td>Students and adults</td>
<td>Public Funds</td>
<td>Coordination Committee</td>
<td>Yes</td>
<td>10th</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sweden</td>
<td>Implemented NS</td>
<td>2008-2008</td>
<td>Employees, immigrants and students at secondary school</td>
<td>Public Funds</td>
<td>Swedish Financial Supervisory Authority</td>
<td>No</td>
<td>Did not take part</td>
<td></td>
<td></td>
</tr>
<tr>
<td>U. Kingdom</td>
<td>Implemented NS</td>
<td>Every 18 months</td>
<td>2014-2018, 2006 (2006-2011)</td>
<td>Students and young parents</td>
<td>Money raised by the Financial Conduct Authority from UK financial services providers</td>
<td>Yes</td>
<td>Did not take part</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table 2 – An overview of European national strategies**
Appendix C – Detailed overview of European national strategies

This is an appendix to the chapter Financial Education in Europe. The aim of this annexe is to present a brief resume of what countries have achieved in terms of financial education policy.

Before presenting each country it is important to show some figures representing the evolution of indicators that might have influenced the decision of national governments to implement a national strategy of financial education:

Graph 1 - Evolution of unemployment rate among European countries
Source: OECD data

As expected the graph shows that since 2008 the unemployment rate has increased markedly and the urgency of involving low income and more vulnerable groups has become more evident for all countries, mainly for those with higher rates, such as Spain and Portugal (both with national strategies implemented at that time), and Greece which had implemented some initiatives for students.
One of the main indicators was household debt and the ability of families to respect their financial obligations. According to the graph and even European reports as well as those produced by the OECD, household debt has increased since the subprime crisis of 2008 and in most of countries it stabilizes after two years.

**Graph 2 - Evolution of household debt among European countries**  
**Source:** OECD data

**Graph 3 - Evolution of income inequality among European countries**  
**Source:** OECD data
The previous graph is curious because of the diversity of scenarios different countries present. The lines are drawn according to the Gini index, which says that if the country’s index is near zero it means that equality is very high. Generally, we may say that European countries are gradually moving towards a better situation and countries such as Spain seems to have overcome previous states of high inequality.

At the same time all countries present a stable situation regarding population growth, which means that they will have more retirees in the future and it is therefore urgent to implement policies to explain social security and the pensions schemes available in each country to this group:

GDP (Gross Domestic Product) is another key indicator for countries, as it reflects the evolution of national economies and may help countries to drawn important conclusions. For example, as we saw in the first chapter when countries start to grow the number of people in a better financial situation and so requiring more, and sometimes more complex, financial products, increases proportionally (as happen in Brazil). So it is necessary to create adequate regulation to protect consumers and help them with guides and other such materials to better understand the consequences of buying higher risk products. The following graph shows that, as expected, in the period of the financial crisis most
countries suffered a contraction in their economy’s growth. However, they have seen slight recovery from that scenario and it is important to train and inform people to avoid the same consequences in any future crisis, but, most importantly, to prepare them for an expected reduction in income.

![Graph 5 - Evolution of GDP in European countries over the last fourteen years](image)

**Source:** OECD data

Finally, we believe the follow graph is also important as it helps to understand the importance and level of mathematical literacy among boys and girls of 15 years of age. The following results are collected from PISA and aim to understand their level of understanding and ability to interpret mathematics in different contexts. The values on the graphs represent the mean score across the sample for each country. This indicator is similarly important because it allows countries realize which subjects they should focus on. Mathematics ability is a key factor for developing financial literacy. Additionally, in some countries financial education topics were adopted in mathematic curricula, and even in the countries where they were not adopted or are included in a separate subject like personal finances mathematics is widely recognized as being relevant for developing the ability to take informed decisions. The following graphs show that in some countries the evolution in girls is different from that in boys. For example, although the United Kingdom has been registering worse results since 2006, girls have been achieving better results since 2009. However, boys still present better results than girls overall. In several
countries boys present better results than girls. The exception is Sweden where the results are very similar.

Graph 6 - Evolution of mathematics performance between girls at European countries
Source: OECD data

Graph 7 - Evolution of mathematics performance between boys at European countries
Source: OECD data
After this introductory analysis we will present an overview of national strategies and initiatives in each European member state. The information presented below based on OECD report (2013), information provided by some countries upon request and also information available on www.europeanmoneyweek.eu.

**Austria**

A pioneer project was conducted by the Federal Ministry for Education, Art and Culture and an Austrian bank: a TV programme called “Sparefroh TV”. It is aimed at children and students and some schools may use some of its contents to teach financial education in schools. According to a pilot test “one in three primary schools in Austria had introduced a teaching module using Sparefroh TV”\(^\text{17}\).

At a national impact level, we may find other initiatives:

- An Austrian bank created a website fully focused on financial literacy, mainly focusing on students and teachers;
- The Austrian National Bank prepared several materials targeting children (aged 8-18) and teachers: OeNB Schulkoffer - the bank association provides public schools with several materials (including movies) in a package called “Money and Monetary Policy”;
- Euro Kids tour – a bus which travels round the country to carry information (in the form of games and didactic tools) on the topic to students up to 14 years of age;
- Kid workshops: a guided tour the National Bank’s Money Museum (and workshops for schools);
- Inflation simulator to let children understand its impact on their daily lives.

Additionally, the Austrian Bankers Association has also promoted various activities focusing on different and varied target groups. Charitable organisations are also important in creating a variety of products to reach people on low income people. Finally, one of the Austrian banks created a website only about financial issues and with specific information for different segments.

\(^{17}\) European Money Week, [www.europeanmoneyweek.eu](http://www.europeanmoneyweek.eu), accessed on 15 June 2015.
Belgium

Financial education has appeared as a result of the “Twin Peaks Law” of 2010, which aimed to protect consumers. Following this interest from the Belgian government the Financial Services and Markets Authority (FSMA) decided to create the website www.wikifin.be where consumers may find relevant information, games and quizzes about financial literacy. Additionally, the Belgian financial system created a specific website for each target group (one for students and young people, another for adults and families, and another for entrepreneurs, the self-employed and public authorities). It is the first time that a European member has identified the last segment group as a target. Several other bodies, private and public, have their own initiatives, tools and websites, focusing youngsters and children. Another target is banking employees: the idea is invite specialists to talk about topics such as phishing and digital banking services.

In order to reinforce the need to inform the population, the Department of Education has started to organize a post-graduate curriculum and promotes events and courses to increase the network of experts on this matter, send newsletters on a monthly basis to the school community and gives special importance to students from higher levels, mainly in “Klasse” (Flemish Community).

One last note to mention is that Belgium was one of the countries that replied to our questions. We had little information about the country and a couple of queries. In fact, they confirmed that Belgium do not have a National Strategy for Financial Education and the law gave the FSMA “the duty to develop financial education in Belgium”. This mechanism is trying to coordinate all initiatives taking place in the country by collecting materials and sharing them with other players as well as getting the stakeholders involved to share information and experiences, and organize the Money Week in 2016. They are still working on the list of stakeholders with whom they work in order to strengthen the list of organisations involved and increase that network (of, mostly, volunteers).

It is important to mention that the Flemish region participated in the PISA study in 2012 and they achieved an impressive second place.

Bulgaria

An introductory note to mention that Bulgaria kindly sent us information about their initiatives and the current situation of their National Strategy. So some of the following information is based on their sources.

In August 2012 a National Steering Committee for Financial Consumer Protection and Financial Literacy was established. This body is composed of representatives of the main financial institutions, Consumer Protection Commission and the Ministry of Finance. The Committee was supported by the World Bank. One of their most important conclusions states that the country should define a National Strategy for enhancing the financial literacy of the consumers of financial services. Following this in 2014 “under the initiative of the ex-Deputy Prime Minister in charge of the Economic Affairs and Investments, a working group was established for the elaboration of this National Strategy including the relevant stakeholders - state institutions and ministries, NGOs and professional organizations in the financial sector”\(^{19}\) and they submitted a draft for discussion. Our source, from the Financial Supervision Commission, informed us that until now they have not had information about the current situation of the draft and whether the draft was submitted to the actual Government. So until now Bulgaria has not had a National Strategy for Financial Education. However, the Government has prepared the National Strategy of Financial Education.

The Bulgarian Government has developed several initiatives and one of the most important happened when in 2012 the Financial Supervision Commission (FSC), established in 2003, with the support of the High School of Insurance and Finance and the Ministry of Education, Youth and Science, “held a two-day training on ‘Financial and Economic Literacy’ for students from the 11th grade of the National Business and Finance School and the National Trade and Banking High School in Sofia.\(^{20}\) The FSC launched a website where, among other content, individuals may find information about the open-days and the Global Money Week, which occur in several countries at the same time with the support of the Child and Youth Finance International. In the website

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\(^{19}\) Information provided by the contact with Financial Supervision Commission.

www.tvoitefinansi.bg, designed for the consumers of non-banking financial services they find applications attractive for the young people. The webpage offers:

- Beginners’ guide to financial markets;
- 10 advices regarding insurance / pension insurance / investments;
- Finances and life events – “I have a car”, “Starting a job”, “My place”, “Being a shareholder”;
- Financial literacy test;
- Test “Guess the financial term”.

Other successful initiatives, promoted by FSC, may be:

- The Educational programs for students: “Finance for students – Non banking financial sector” that intends to approach students from financial context and awaken attention to financial education topics;
- One-day module program on capital/pension insurance/insurance markets for students from schools or universities;
- Seminars organized for teachers: this format ensures wider access of students to the actual financial knowledge, a multiplier effect on the society as teachers/schools would be in the best position to act as ambassadors for the spread of financial education in their surrounding environment as well as sustainability of the results.

At the same time mainly since 2012 the Association of Bulgarian Banks developed a booklet with useful information about financial products, suggestions for dealing with them and some recommendations. The association of banks and some of them individually have created websites or reserve some parts of their websites to talk about financial education topics and contents. Particularly important is the dictionary that some of these bodies created. There the investor and/or consumer may find a user-friendly language relating to several concepts. It is also important to underline that some banks support charities projects, which focus on financial education.

Perhaps the most relevant project is that promoted by the Financial Literacy Initiative Foundation (Non-profit entity). They have developed the “unique national scale program
‘Say No to the Debt, Say Yes to the Money’”21. In addition they have also set up the project” ‘My Life, my Finances – Financial Literacy for Youth’ which aims to increase the financial literacy of students in upper secondary education, which is considered as a key skill for them on the verge of an independent life.”22

Another important project is the Atanas Buroy Foundation, existing for 20 years, and created by several banks and other stakeholders, which intend to promote several initiatives for financial and economics students. One of the most important is the summer scholarship, which help students (from high school and universities) to experience these contexts.

**Croatia**

Croatia is one of the most recent European members. And it is also one of the most recent countries to adopt a national financial education strategy. They have defined a plan for the period of 2015-2020, which has been implemented since January this year. The Ministry of Finance leads the plan’s implementation through the National Committee for Financial Literacy is constituted by ministries, financial regulators, industrial associations and others. Previously the Ministry of Education had recognized the importance of teaching children since early stages, and introduced the subject “Citizenship Education”, which includes, among other topics, financial literacy, into the school curriculum in 2014.

Diverse other public and mainly financial institutions have promoted several initiatives (mainly free workshops and seminars with free materials) where they promoted the main contents of financial education. It is important to mention that, as happened in other countries several initiatives occurred before the country entered the European Union, in the period 2006-2012. The majority were promoted by Banks, through the banking association, which have had good results. They had two main focus: 1) families (by free workshops and information disclosed about financial products and services) and 2) SMEs, joining with the Croatian Employers’ Association (workshops also). The country also implemented the international activity Global Money Week in 2014 and several of those players participated actively by teaching students about financial concepts.

Cyprus

As a result of Troika’s financial assistance program the Government and financial institutions have reviewed their priorities and decided to take into consideration the impact the level of financial literacy may have on national growth.

Previously several banks had identified the challenge and started proactive programs to introduce children to financial concepts. For example, one of the Banks is a partner of the international association Junior Achievement, which aims to provide education to young people. Particularly interestingly Cyprus has the following initiative: the “company programme” (launched by Junior Achievement), which consists of giving the opportunity to 15-18 year old students to virtually create and manage a company for a whole year and provide them with the necessary knowledge to be successful. Due to this program 35 companies with innovative products had already been created by 2015. In addition, the students may participate in European international competitions where they have the chance to show off their business and products. Finally, the Cyprus Consumers Associations with the Association of Cyprus Banks have been promoting seminars on financial products targeting adults and young people.

Czech Republic

In 2010 a national strategy was adopted to combat the low financial literacy level. It was made with two main focuses:

- Education for children, from the first stages - since the beginning of the strategy financial education has been compulsory in secondary schools and since 2013 in primary schools too;
- Education for adults, which is promoted by private groups, and in cooperation with the trade unions. Since 2013 there has been a campaign designed to promote financial literacy among adults.

As in other countries the Czech Banking Association has started to take some action since 2007, since when they have launched a financial literacy website with a very simple language to allow all to be able to understand the content. It has been a success and the website is widely used by members of the public, as well as by teachers. In the same year, a free of charge service was created to help people at highest risk of insolvency.
Since 2011 partnerships have been established with several bodies from the public sector and charities in order to specifically develop a project for low income people. Almost all these initiatives have been funded by the banks, considered the engine of the national strategy, and some by European Social Funds. In 2014 two pilot projects were initiated: one is focusing on finalist students from high-schools and the other for more vulnerable people, who may be excluded from the national education system (they may be in institutional care).

It is important to underline that the Czech Republic was one of the European finalists in 2014 in the award attributed for the Child and Youth Finance International for the best European financial education plan. In addition to having some common points with the European winner (Portugal) they also focus on more vulnerable people and have been actively working to create conditions to guarantee financial inclusion for people on low income.

**Denmark**

Since the beginning of 2015, financial education has been “a compulsory part of the Danish national curriculum for primary school pupils in the 7-9th grade (aged 13-15)”\(^{23}\). The idea is to introduce concepts such as deposits, savings, loans and the role banks play in the whole process. Besides this Government along with Danish Bankers Association (DBA) and the Money and Pension Panel (MPP) prepare and provide several free materials for schools (including universities), and promotes various activities, including on Facebook, to alert young people to some basic mistakes they may commit. Of course the materials are adapted to each age.

Since 2014 the DBA also promoted the Danish Money Week, which has intensified the contact of students aged 13-15 with the financial context of the topic. An important partnership was establish with the Association of Math Teachers, which help banks to develop several materials. Banks are so involved that many of its CEO have been guest teachers in a number of schools. It is expected that the same partnership may be established with Social Science teachers to create materials for the next Money Week.

Estonia

Estonia has a National strategy for the period of 2013-2020, created by the Ministry of Finance. Several bodies were involved in the whole process such as the Financial Supervision Authority, some ministries (Finance, Education, Economic affairs and Communications and Ministry of Social Affairs), financial institutions associations, and the Association of Teachers of History and Society.

In order to deliver the information, they created the official website of the campaign, where Estonian people can find information in simple language about financial concepts and also (something not found in other countries) a table with a comparison of bank fees, savings accounts, deposits and other financial products, updated directly by each bank. The Estonian Banking Association is the main stakeholder: donate books on the topic, finance their translation to Russian and promote several initiatives:

- **Money Wisdom Day**: an annual week in which bank employees visit several schools and talk about financial topics, and do the same for adults, in partnership with the Association of Estonian Adult Educators;
- **Swedbank – Back to School**: which started in 2007 and consists of a network where bank employees may register to go to schools and talk on financial literacy topics;
- **Moneyland (Rahamaa)**: which consists of a game on the subject targeting children between 5 and 9 years of age;
- **Student thesis competition** about the topic of securities market;
- A website for investors with useful information.

It is important to mention that although Estonia did not introduced financial education as a formal subject in schools, it ranked 3rd in the PISA study in 2012, the best result among European member states.

Finland

The Federation of Finnish Financial Services (FFI) have been working to achieve the objective of improving financial education, mainly through the schools programs. They talked about providing students, mainly in secondary schools, with enough understanding of the term “personal finances”, which was not mentioned by the other countries. This
expression encompasses, perhaps more intuitively, all the other expressions used by the other member-states.

The FFI together with the Advisory Council on Financial Management are responsible for the national strategy designed by the FFI and implemented since the beginning of 2015. One of the expected initiatives consists of 5 training days for teachers who will be responsible for teaching students personal finances topics.

The FFI together with other stakeholders have promoted several competitions for students from different school levels, such as the Zaldo campaign (started at 2011), which teach students by using several interactive tools, including games. The winner of the Zaldo competition is announced during European Money Week. The website with the competition is divided into 4 main sections:

- Income and expenses;
- Purchases and payments;
- Saving and investing;
- Insurance and risk management.

These seem to be levels that seek to encourage students reflect on their actions and behaviours as well as reproduce them in the game and realize the impact on their personal finances. At the same time, they are alerted to certain concepts with examples to let them understand the context.

Other bodies such as universities and Junior Achievement in Finland are participating actively in providing research, materials and projects mainly for students.

**France**

The concept of financial education as a way to promote banking inclusion first appeared in December 2012, in the *Conférence nationale contre la pauvreté et pour l’inclusion social* (National Conference Against Poverty and for Social Inclusion), where was defended that financial education would help the country to increase banking inclusion and combat over-indebtedness. Following that, French Government established a plan in which one of the focuses was the promotion of financial education and contribution to create more conscious citizens about banking context. Several national surveys showed
that 79% of people were interested in learning more about the topic at school (OECD, 2013) and in 2010 it became compulsory to study economics at secondary school.

The Bank of France has played an important role by providing resources to inform consumers about economic issues and products and creating conditions to let this information be accessible to all. It also promotes targeted programmes for vulnerable people. In 2012 a partnership agreement between the Bank of France and the Educational authorities of Paris was signed to promote several initiatives. The clearest evidence of the involvement of Bank of France is the project Cité de l’Économie et de la Monnaie (City of Economy and Money), totally funded for this purpose and to be ready in the second half of 2015. There, people will be able to deal with economic, monetary and financial concepts. In addition, the French Banking Federation is promoting the “Les clés de la banque”, which consists of a website with extensive financial educational contents, a YouTube channel with several educational videos and other materials. They have also launched the website “J’invité un banquier dans ma classe”, a pilot project inaugurated in the first edition of European Money Week.

Other agreements have been signed with several bodies and more initiatives have been promoted: 1) The supervisory authorities (Prudential Supervisory Authority, Financial Markets Authority and Bank of France) created a new website in December 2012; 2) The Financial Sector Advisory Committee did the same with their website, involving all financial bodies. 3) The Institut pour l’éducation financière du public (IEFP)/Financial Public Education Institute launched the website www.lafinancepourtous.com where anybody may access and find a variety of materials and add national information. This body has been working with the Ministry of Education in preparing content for students, and has signed several partnerships with financial institutions.

In 2006 the Ministry for National Education outlined the content and framework to support the introduction of the subject in schools. However there is still no national, coordinated strategy.

**Germany**

The German plan is very focused on students and young people. They do not have a national education strategy. They are organized into federal states and each one has the responsibility of defining the school curriculum. So almost all of them introduced the
topic into schools but as part of the main subjects (such as social studies or consumer education). In the school year of 2015-2016 and for the first time a federal state has decided to separate the subject and call it “economics, careers and studies orientation”.

The German Banks Association has been a relevant player in the strategy: having created a programme specifically for schools which has been implemented for the last 25 years. They also created several websites where it is possible to find some quizzes, games and interactive contents about, for example, savings and investments, loans and financing. Annually it also promotes a bank management game for students. Every 3 years they implement a survey to assess youth the financial literacy of youth. Other groups have been involved, mainly those involved consumer protection, which also intend to implement consumer education in schools.

**Greece**

Greece does not have a National strategy despite the Hellenic Bank Associations’s belief that the financial system may be a key player in such a strategy. Its main intervention has been to participate in several initiatives of the OECD/INFE as well as supporting the programme “Banks in Action” developed by Junior Achievement in Greece. This project is implemented in high-schools and consists of having some trained bank employees giving “eight hourly sessions” to students of 15-18 years of age. The Bank Association has closely participated in the design of the materials for schools, created tools to let volunteers work (such as surveys and tests to be applied to students) and recently has supported the costs of the printing of material in schools that do not have enough resources and defined the measures to assess student literacy.

It is important to point out that Greece is still experiencing one of the biggest financial and economic crises which influences the content defined but also limits the possibility of achieving other targets. Banks are trying to help by promoting several activities and projects targeting mainly students from different school levels.

**Hungary**

In recent years three organisations have signed a partnership to assess and promote financial literacy: the Magyar Nemzeti Bank (the Central Bank of Hungary – leading authority in this topic), the Ministry of Economics and the State Audit Office of Hungary.
One of the most important initiatives is the leaflet “Money talks – do you understand?” distributed to secondary students in several schools. Until now the financial education has not been compulsory content in schools. Since 2013 it has been optional. Several governmental and non-governmental bodies joined forces to promote knowledge about financial content and change attitudes and behaviours, by supporting several activities.

The Money Compass Foundation for Financial Awareness (among whose members include the Hungarian Banking Association, Hungarian Financial Supervisory Authority and the Hungarian Competition Authority) was created to raise funds for the activities.

Several banks, some of them supported by the banking association, are promoting several initiatives and workshops to different targets, mainly students and young adults.

Hungary has an institution, called the Financial and Economic Education Centre for Secondary School Students (O.K. Centre), which has a “scientific centre for teaching financial and economic issues and literacy” based, mainly, in alternative approaches to students. Usually it uses fun tools, based on new technology such as 3D materials, games and others. This concept has been used in several other countries and nowadays the idea is to franchise it. In two years they have reached “more than 15,000 students in 130 schools”. All the events are free and they are being implemented in even more schools and summer camps.

Ireland

Several efforts have been made by educational and banking bodies in the different governments but until now none of them has been able to convince them to implement a financial education policy in schools. The only action the Government took was the creation of the National Consumer Agency in 2007. This body aims to promote consumer protection and develop several actions to improve it, including some interventions at a regulatory level. One of its initiatives, called “Money Skills for Life”, consists of inviting bank employees to visit workplaces and explain and clarify some topics about managing money, savings and budget.

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In 2006 the Central Bank of Ireland created the National Steering Group on Financial Education, involving several players financial and educational sector as well as from society, which aimed to promote the development of personal finance education in Ireland. The Central Bank also published the Financial Capability Study and have been collaborating with the European Union and OECD on financial education matters. Moreover, the Competition and Consumer Protection Commission also assumed a position of taking care about financial capability at domestic and international level.

Around 2009 the Irish Government and Central Bank decided to introduce a pilot-test to assess at the level of financial exclusion on the country. They detected that in 2008 Ireland had approximately 17% of families without bank account while in almost European members that indicator was around 2% or less. The pilot-test was applied during six months (by offering a standard bank account) in some banks in three specific locations, in order to understand if the product fits households’ needs.

Several banks in partnership with schools and teachers designed contents and materials to provide mainly to primary schools. The Junior Achievement association provide material to the main disadvantaged schools. In addition, the Banking & Payments Federation Ireland with the Business Studies Teachers Association of Ireland is promoting an award for the students who had the best mark in state examinations in "Accounting, Business, Economics at Senior Cycle and Business Studies in Junior Cycle".26

**Italy**

The scenario in Italy is similar to that one in France. Financial supervisors widely recognize the importance of effective financial education. However, until now no single policy has been defined. Although several initiatives have been promoted by public and private bodies.

There is evidence of several initiatives, tools, materials and guides promoted mainly by financial institutions individually and the Bank of Italy, which intend to promote consumer protection. Since 2003 the banking sector has developed a plan to promote financial literacy among all citizens, including providing schools with appropriate

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materials, creating a website for teachers and parents and promoting research in partnership with other organizations such as universities. Some of the initiatives were also promoted by Junior Achievement Italia and Consumer Protection Associations. As a result another body has appeared (Financial Education Foundation) to establish a relationship between all initiatives and share materials and resources. This Foundation has defined several programmes for implementation since pre to high-schools, and for adults – a comedy show with a didactic focus on lifestyle.

In recent years Italy has undergone some changes in its regulation as well as in its pension fund structure. So, The Italian Insurance Supervisory Authority (IVASS) has also defined financial education as priority because the variety and complexity of insurances.

The two last nationwide surveys, conducted by several supervisory bodies, showed that the financial literacy of Italians is markedly low: about one third of the population is not able to calculate the interest rate associated with their mortgage. While several surveys were carried out, the most important survey (to assess financial literacy: prepared by the OECD/INFE) has not been implemented until now.

Following OECD recommendations, an important step was taken in 2007 when an agreement between the Bank of Italy and the Ministry of Education, Universities and Research (MIUR) allows for the introduction of financial education in all school curricula. Its applications is continuously evaluated and the last questionnaires showed an increase in correct answers. According to the Ministry of Education, because there is no National strategy, the contents of financial education courses are not the same in all schools. So there is no a common policy and because of that it is not easy to compare the results (if they exist at all, because the body may decide to not evaluate them).

Following the interest demonstrated by all supervisors a draft law on financial education was drawn up, which is still pending in the Italian Parliament. It proposes the creation of a Committee to coordinate all initiatives and projects, to be set up by the Ministry of Economy, Ministry of Education, representatives of Supervisory Instances and others (consumer associations, universities).

Finally, Italy has also identified the funding resources for the policy: the majority would come from the Government, but companies would also play a role by volunteering
resources or in lieu of taxes. So everything is in place to formalize a national strategy and identify the strategy’s leader.

An addendum to this section should mention that we have received a response from the financial Education Foundation, which helps to clarify some issues and completes the information on Italian initiatives and projects.

**Latvia**

The national plan has been implemented since 2014 (to 2020) and results from a partnership between the Capital Market Commission, educational bodies, financial institutions (Association of Banks and Insurers Association), Consumer Protection Association and BA School of Business and Finance. It has the general objective of contributing to economic growth by providing citizens with the necessary knowledge and teaching them about budgeting and financial planning. The country defined a sustainable development strategy as goal to be achieved until 2013 and financial education is one way to helps the country to reach it. The action plan has been implemented according with the key areas defined at the National Development Plan.

Concerning with the funds the Plan predicts a development budget coming from state and local government budget funds, as well as Cohesion Policy and Common Agricultural Policy funds. European Union financial assistance instruments and private funds also have a relevant role. The national plan aims to reach the whole population and define specific policies to each one.

Following their plan Latvia introduced financial education as compulsory at secondary level as they believe this will help them to reach an “economic breakthrough” and ensure a more competitive young generation.

Two websites were created for investors and the general public ([http://www.macroeconomics.lv/](http://www.macroeconomics.lv/) and [http://www.klientuskola.lv/lv/](http://www.klientuskola.lv/lv/)). The Association of Commercial Banks of Latvia created websites for each target audience with didactic materials, assessment, information on how to solve some financial problems and motivate their bank experts to give some lessons in schools. One of the most important initiatives is the Financial Education Week, started in 2014, promoting seminars for teachers (where they are taught about the current national situation in terms of financial literacy in schools). Other activities includes the visit of adults and children to banks.
Lithuania

Lithuania has had a national financial education strategy (entitled Money Bee) since 2013, led by the Bank of Lithuania. They created the Education Policy Advisory Board composed of representatives of the national banks. The main goal is to improve the financial literacy of the population as well as teach people to make informed decisions and be interested in managing their money. A totally dedicated website was created where citizens may find several recommendations and advice about managing money, information about financial products and services and news targeting everybody, from children to retirees.

The Bank of Lithuania is very proactive. In 2013 they implemented a financial literacy test nationwide where people could test their knowledge on the topic. One of its main concerns is the level of debt families have, so they designed a social program “Be careful when borrowing” to alert households to the importance of preventing insolvency situations and making careful decisions about borrowing. In the same year the Bank of Lithuania joined forces with the Child & Youth Financial International organization and started to coordinate the organization of Money Week throughout the country. During 2015 they will participate in the survey promoted by the PISA project.

The banks are very active in financial education activities, having a TV documentary, which intends to motivate people to create their own project and workplace.

One other pioneering project was implemented by the Swedbank, AB that created the Institute of Private Finance. It studies the level of financial literacy of the population and based on this define an action plan. Among the ideas promoted we may find the “City of finance” and “Investment game”, targeting young people, and also “My budget”. This last project helps people to realize in which kind of expenses they have spent their money, what is the saving rate and learn from this how to manage their money.

Finally, the country also have another original initiative, called “Who need it?”. It consists of approaching several companies and schools. Students have contact and learn from professionals from different areas in order to make better decisions when deciding about professional future. During their school career students also participate in: the National Carrier, Safe Internet, Financial Literacy and Job Shadowing weeks.
Luxembourg

Luxembourg still does not have a national strategy for financial education. However, mainly the Banking Supervision Authority recognizing its importance to the country’s growth created a Working Group that aims to design a national strategy, together with other players such as Consumer Protection Association, financial organisations, public and private authorities as well as profit and non-profit organisations. In addition, the Ministry of Education, in conjunction with the Bank Association have been promoting the Luxembourgish Money Week, as in other countries, which intends to inform students about the realities of financial markets and give train to teachers who will introduce the topic in schools.

The Bank Association together with the organisation representing social and economic science teachers has implemented two courses, targeting students between 15 and 18 years old:

- The Luxembourg Financial Centre: students contact with different activities from the financial sector as well as understand which kind of market players exist in the sector;
- The role and mission of the Luxembourg Stock Exchange: students have contact with the environment of a Stock Exchange (traders and brokers) in order to understand their role and how everything works in the backoffice of a stock market.

Several others bodies volunteer to provide people, mainly high school students, with materials, conferences and workshops. Among these bodies we may find Banks working individually, Junior Achievement, Consumer Protection Association, inter-Actions association (which also focuses on students from 10 to 12, providing them and teachers with several workbooks) and, finally, the “Centre Information Jeunes”, which reaches people up to 30 years old and alerts them to the problem of indebtedness, managing a budget and consumption.

Malta

In Malta there is not official financial literacy education. However, there is an understanding of the importance of introducing financial education into schools from the
early stages, as it is one of the subjects studied at secondary school, as well as several workshops in primary and secondary schools. Inclusively the Malta Bankers Association is creating a simulator of the banking context for students to play with.

The Bankers Association (and also the Central Bank of Malta) organizes several visits to banks, promote job fairs to give students a point of contact with jobs in finance, accounting and economics and to raise awareness of decisions about their future careers. Additionally, they create materials and promote some national campaigns with media channels (the next event will be during this year, 2015).

Some bank experts are also invited to participate in several programs to talk about financial topics. On the website My Money Box (managed by the Consumer Complaints Unit) financial consumers may access information and advices about the financial market and receive a periodical newsletter with updated contents. They also participate in TV and radio shows. Malta is also participant in the European Financial Education Partnership, a project which aims to assess if a volunteer network would be sufficient to take the contents to schools.

**The Netherlands**

The national strategy, titled the Money Wise Action Plan, started in June 2008 and it is in the implementation phase (with a continuous evaluation). It has as honorary chair Her Majesty Queen Maxima, who is at the same time United Nations Secretary-General’s Special Advocate for Inclusive Finance for Development and Honorary Chairs of the Global Partnership for Financial Inclusion of the G20. The stakeholders involved are financial institutions, government and consumer protection organizations, the National Institute for Family Finance Information (by providing some research and teaching contents) and the Association of Insurers. The Ministry of Finance is in charge of the project.

In 2006, before the world crisis, the Ministry of Finance decided to develop a national strategy because of the increasing number of non-performed debts from several families (around 250,000 households), the low awareness of the need to plan for the retirement period (72% of active population do not know anything about the topic) and 41% are not prepared for an event which implies a drop in income (divorce, illness, job loss) (OECD, 2013). So, the plan had 3 main focus: daily budget management, planning for the future
and money management (specifically focused on students up to 18 years of age). A roadmap of existing initiatives was made as well as a list of existing materials, information about financial products, regulation and the fiscal context of financial education. The Netherlands was one of the few countries that in its plan talked about a very important idea: prevention is better than correction – they want to protect future active population from bad decisions and to prepare them for future reduction in their income. So the strategy focused on the general population by adapting the projects to certain groups such as low income groups, children and youth, and entrepreneurs.

Several initiatives have taken place in the last few years. The projects with more impact are:

- **National Money Week**: focus on students and teachers;
- “Bank voor de klas”: some banking employees teach students, with the Association considered “financial education ambassador”;
- **Pension3day**: an event in which groups such as pension funds, employers and insurance companies motivate people to think about their pension.

In order to promote the strategy nationwide was created a website ([www.wijzeringeldzaken.nl](http://www.wijzeringeldzaken.nl)) and it was used social and mass media, workshops in the workplace and games.

The country implemented national surveys (on a yearly basis) to adults, children and youth as well as participated in macro-country surveys (eg: the financial literacy exercise of PISA 2015) and other questionnaires organized by the OECD. In 2013 the results showed the gap between entrepreneurship and financial education, as well as the need for developing more efforts to sensitize citizens to plan for the future. They also concluded that it was necessary to adapt the regulation system. The national plan has been funded by several sources such as the Ministry of Finance, Banker’s association and the Central Bank, totalling between €2.5 million and €3.5 million per year.

**Poland**

Financial education has been introduced at all school levels since 2001. For primary and secondary schools the subject is optional but for tertiary schools it is obligatory to study “Principles of Entrepreneurship”. The initiatives are funded by the Polish Central Bank.
The Polish Bank Association participates and coordinates the Financial Education Forum in Poland, which is composed of several financial institutions, Junior Achievement Foundation and Polish Supervisory authorities. Every 2-3 years the Association in partnership with the Polish Insurance Association publishes the “Map of Financial and Insurance Education” promoting all initiatives developed in the country. The Bank Association also work with local radios to promote financial education competitions as well as clarify doubts about financial education.

We may consider the follow projects as the most relevant:

- **Bakcyl**: a project which consists of bringing bank experts to schools to teach some lessons;
- Teenagers Mini Firm: a real firm with a real business plan managed for one year and supervised by teachers;
- Special programs for each target group: for low income people, by teaching how they should manage their budget, and entrepreneurs, where the information provided is totally different, with more focus on state subsidies and credit access.

**Portugal**

The information about Portugal may be found on the first chapter as it is one of the case studies described.

**Romania**

The country has two main priorities: financial education and creating conditions to let general populations have access to essential bank services. Based on this it decided to introduce the optional subject “financial education” into the school curriculum.

Once again the Romanian Banking Association has played an important role in pursuing these priorities, by promoting several projects, such as open days for economics students, developing conferences and workshops at schools and universities to talk about banks and the financial system. It is assumed that Romanian Banks are responsible for promoting financial educational among citizens and potential investors. Together with other bodies, such as universities, they support several initiatives and projects such as developing a national campaign (delivery by TV channels) to reach the general population and sensitize them to the need to plan their budget and learn the best techniques for
managing it. The other objective is to assess the level of financial literacy of customers. Other projects have been developed by joining with industrial stakeholders.

Several organisations (Visa Europe and the Romanian Member Banks, Ministry of Education, National Consumer Protection Authority, Junior Achievement Romania) defined a partnership and in 2012 they launched the MoneyIQ programme to train Romanians from different areas in basic financial education concepts.

Finally, the Romanian banks joined forces to develop common documents and terminology to be used by all of them in order to help individuals to understand the information provided and to start to identify some concepts. These required some regulatory interventions.

**Slovakia**

The school year 2014/2015 represented an important step in promoting financial education. Since that year financial contents has started to be included in different existing subjects or courses in primary and secondary schools. The Ministry of Education, Science, Research and Sport defined the methodology of teaching the contents defined by the National Standard for Financial Literacy. The Slovak National Bank, the Ministry of Finance and the Ministry of Economy have promoted several events on consumer protection and since the beginning of 2015 the National Bank has been responsible for their promotion. This financial association has a specific space for financial education on its website and since 2012-2013 has been working with Junior Achievement to implement several projects for children aged 10 to 19. In their projects they have also invited banking experts to join in the sessions and teach a little bit about their experience. Independent stakeholders have also developed alternative initiatives for several target groups.

**Slovenia**

The development of a national strategy for financial education started in 2009 when the Government defined a working group coordinated by the Ministry of Finance and composed of several institutions, such as representatives of consumer protection associations, bank association and financial institutions along with the Ministry of Finance, Ministry of Education Science and Sport and the Ministry of Economic
Development and Technology. They were responsible for defining the national plan based on OECD/INFE guidelines and recommendations, as well as other countries’ experiences.

As expected the Slovenian Banking Association has been a key player in the whole process. In addition to its participation in the working group they also created the project “All about the bank” and to support it a website and a booklet was posted online. As in other countries Slovenia also participates in the project “European Financial Education Partnership – EFEP”, a network to promote access to financial education in schools, and it has also organized several seminars and workshops with interactive tools for the whole population to learn using new technologies and simulate real contexts.

Slovenia distinguishes between financial education and home economics. The latter is a compulsory part of the national curriculum. Greats to “home economics” children may learn about basic concepts of financial education.

Since 2014 the newspaper Finance joined other bodies in preparing the extracurricular activity “Young and Money” for primary and secondary schools. This project aims to reach young and their families, and teachers are provided with specific materials. Every year a national competition is promoted among students. Information about financial products, services and bodies is widely published by several financial organisations.

**Spain**

The Financial Education Plan was materialized in May 2008, with the signature of an agreement between Central Bank of Spain and Spanish Securities Supervisor/National Commission for Capital Markets. They would form a committee responsible for defining and funding the strategy. They created a Working Group incorporated by these bodies and also by representative of the Ministry of Economy and Competitiveness, with the occasional help of experts, which was responsible for implementing and coordinating the national plan. Spain previously implemented the “survey of household finances” and based on the information assessed from that survey and the complaints of the Central Bank of Spain they were able to address national financial literacy and define the plan. They also took into account the map of national initiatives, addressed mainly by financial institutions and non-governmental organizations (NGO).

The main goal of the strategy was contributing to an increase in financial knowledge and so to ensure the financial inclusion of all citizens, so it had no specific target. However,
the specific needs of each segment were identified and the plan was adapted to each one as well as the delivery channels (ranging from specialist publications and magazines to workshops in the workplace and generalist channels such as radio, TV and websites). One of the main goals was to introduce financial education into the national curriculum, focusing on students of 14/15 years old (the pilot project was implemented in 2010-2011). The results of the pilot project were very optimistic and in the school year of 2012-2013 it was also introduced in more schools with some adaptations and even private schools decided voluntarily to be part of this movement. The Ministry of Education decided to introduce financial education on primary school and is dealing with the same option on the secondary school as optional subject from 2015.

The strategy had a 2008-2012 time frame. During 2011-2012 it was made the evaluation of the project and some adjustments for the second phase of the strategy’s application: 2013-2017. For this period five more principles were considered: diversity (of targets), knowledge and accessibility to contents, measurement and (continuous) evaluation, coordination and responsibility (involve and charge several authorities).

The role the Spanish Banking Association is also relevant. In 2008 the banks signed a document where they defined the framework of the activities to be develop. A school network has recently been developed with which the Spanish Banking Association will work. The Association has also created the Working Group on Financial Education. One of the most important initiatives is the programme “Your finances, your future”, developed together with Junior Achievement and which aimed to reach around 5,000 students between the ages of 13 and 14.

**Sweden**

In 2008 it was decided that the Swedish Financial Supervisory Authority would be responsible for the implementation of the national strategy for financial education approved by the Swedish government. The government allocated around €731,000 to develop economic educational programs for the population. The leading organisation also created a network (called Like your finances) to involve several stakeholders (Around 60) such as financial organisations, consumer representatives and trade unions, in order to share knowledge about the topic and help in achieving the final goal: consumer inclusion.
The country implemented a project, called “teach-the-teacher”/“train-the-trainer” to train some specific groups (teachers and trainers from, for example, trade unions) who will spread the information to a wide audience. They will be provided with specific materials for each target, such as employees, immigrants and students at secondary school. The contents taught are specific and adapted to each segment.

At a bank level, we may talk about the Finance Bureau, financed by the Swedish financial supervisors, which manages a website where citizens may find the comparison between the interest rates of different banks, financial products and card fees.

Sweden also developed the project “Like your Finance” where the Finance Bureau and several private economists participated, and they are invited to actively take part in the strategy, participate in conferences in schools and give interviews on the topic.

The leading authority annually publishes several brochures, each one with topics for specific targets. For example, for adults there are usually topics related with budget management, some tips about managing costs and how to plan them. The Consumer Agency and the Competition Authority developed other products for students (between 13 and 24) such as a website with the topics that are taught in schools. The country also has municipal counsellors who are actively involved in schools by providing useful advice.

**United Kingdom**

The UK was among the first countries to introduce a national strategy, which was rolled out in the period 2006-2011. The focus is on a financial capability strategy. In 2011 The Money Advice Service (2014) (MAS) was launched as the current responsible for implementing and coordinating the action plan. The strategy has been funded by the resources collected by the Financial Conduct Authority (FCA) from financial services providers. There are several other bodies actively working to empower consumers with financial capability, particularly charities and financial institutions.

The British Bankers’ Association and its members are developing several activities focusing on different targets and work directly with financial education charities as they play an important role because it is they who deliver the national strategy. We may highlight two of initiatives:
• **Personal Finance Education Group:** the leading British financial education charity provides several materials, train people to teach children and students (4-18 years old), promotes National Money Week, and it is currently evaluating the possibility of joining forces with the Youth Enterprise (the largest enterprise education charity);

• **MyBnk:** their target is 11-25 years old. They created the initiative “MYBnk-in-a-Box” which help students to save and learn about money. One of the most interesting product they have is the interest-free loan, with which students may start their own business.

As with others’ strategies the main target was students, and also young parents.

In March 2012 a project was created, called Money Lives, which intended to study the attitude of individuals and families with money. Behaviours would be categorized as skills, knowledge, opportunity, attitudes and motivation. These are the five determinants of financial capability.

A survey introduced in 2013 showed that in fact the national and world crisis affected citizens: “52% struggling to keep up with their bills and credit commitments in 2013 compared with 35% in 2006” (OECD, 2013) and it defined changing attitudes: there are more people paying attention to their bank statements and there are more people (81%) who has a budget and follow it each month (OECD, 2013). The sample also evidenced the low level of financial knowledge. In the light of this evidences in 2013 the British Government announced the decision to consider financial education as compulsory part of the school curriculum. So since 2014 all schools have to implement this knowledge as part of secondary mathematics and citizenship education (for students of at least 11 years old).

Based on the previous studies the current national strategy was published in 2014, with a duration of 5 years to be evaluated every 18 months. A previous step had been the promotion of the Call for Evidence which intended to map the existing initiatives, to evaluate them and establish a partnership.
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**Legislation**


