



#FINCLUSIONinUA

FINANCIAL INCLUSION FORUM

LEAVING NO ONE BEHIND

Kiril KOSSEV
OECD

Kyiv, Ukraine
12 June 2019



Outline

- **Financial Inclusion – Financial Literacy – Consumer Protection Nexus**

Financial literacy and financial inclusion go hand in hand on the demand side of finance, and they need to be flanked by consumer protection on the supply side

- **National Strategies for Financial Education**

OECD/INFE advocates a structured and comprehensive approach to improving financial literacy

- **Internationally vetted good practice**

Over 70 countries are planning, designing, implementing, or revising an already implemented national strategy for financial education



Financial well-being calls for an integrated and multi-dimensional approach

- **Financial well-being depends on:**
 - Ensuring a deep and liquid markets (**financial inclusion**)
 - Formal, functioning, and regulated institutions (**financial consumer protection**)
 - Consumers aware of the needs, the costs, and risks (**financial literacy**)
- **OECD's key focus and mandate has been to look at how financial education can improve the financial literacy of consumers/investors and in turn lead them to better financial well-being.**

OECD/INFE definition of financial literacy: '*combination of awareness, knowledge, skill, attitude and behaviour necessary to make sound financial decisions and achieve individual financial well-being.*'

OECD's work covers all three elements ...

Financial Literacy and education

- G20/OECD INFE report on digitalisation, consumer protection and financial literacy (2017)



Financial Consumer Protection

- G20/OECD Policy Guidance on Financial Consumer Protection Approaches in the Digital Age (2018)



Financial Inclusion

- G20 High-Level Principles for Digital Financial Inclusion (2016)

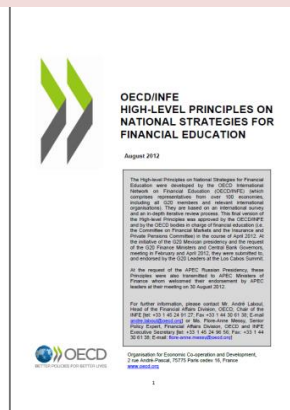


OECD's take on effective financial education proposes National Strategies based on global good practices

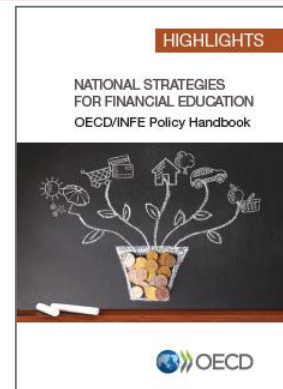
OECD/INFE suggests a rounded approach to improving financial literacy where **National Strategies** are evidence-based, use internationally-vetted good practices, are complement to financial consumer protection frameworks, have a wide stakeholder buy-in, are monitored and evaluated, and are regularly updated as financial markets change rapidly.



2012
High-level Principles endorsed by G20 Leaders



2015
OEC/INFE Policy handbook on the implementation of NS



Ongoing implementation work
Peer-review
Evaluation of NS
Multi-year technical assistance projects



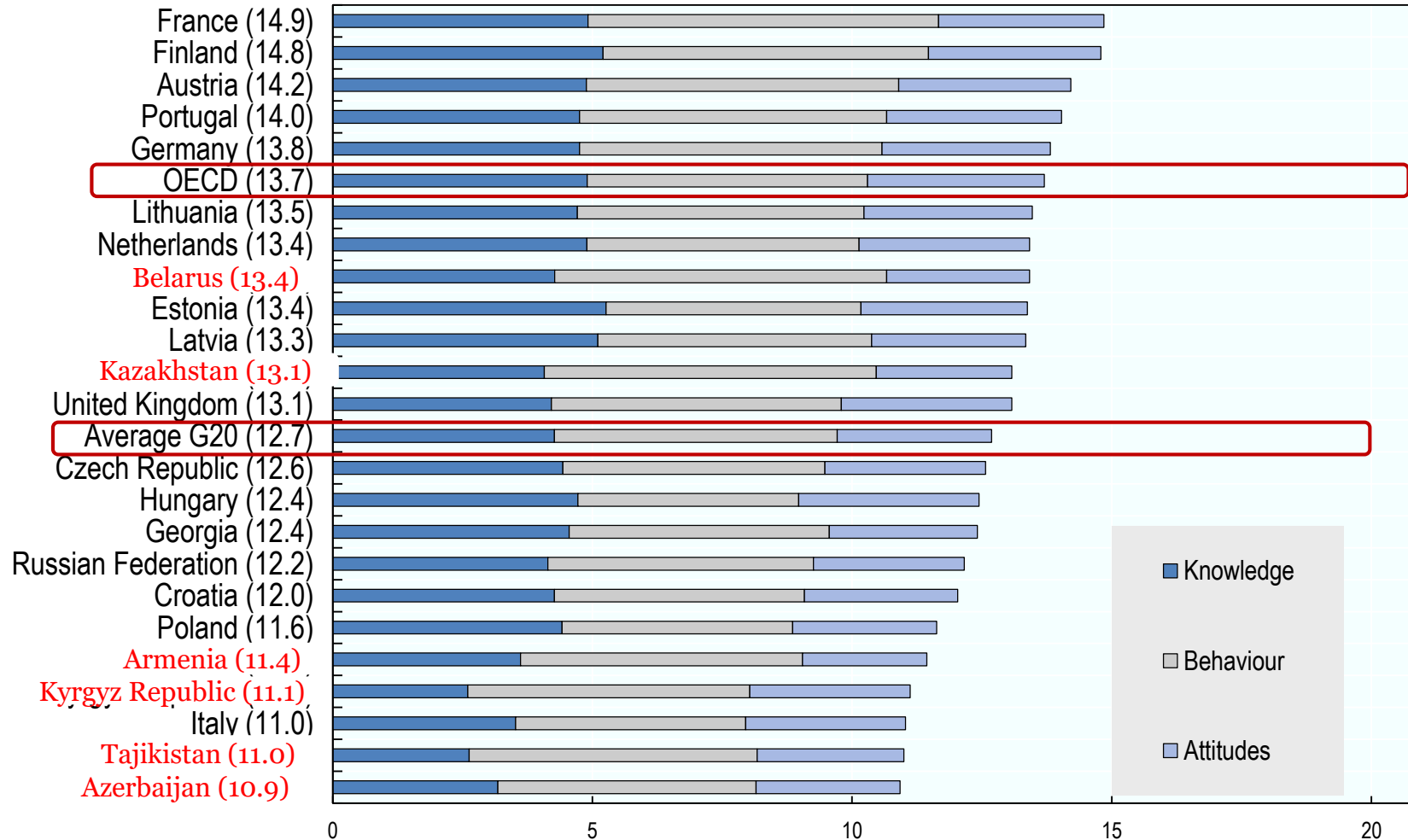


OECD/INFE financial literacy data suggests more effective financial education efforts are needed

OECD/INFE Financial Literacy Surveys (2016 and 2017)

Large international sample in 2016 and a CIS-only sample 2017 in red

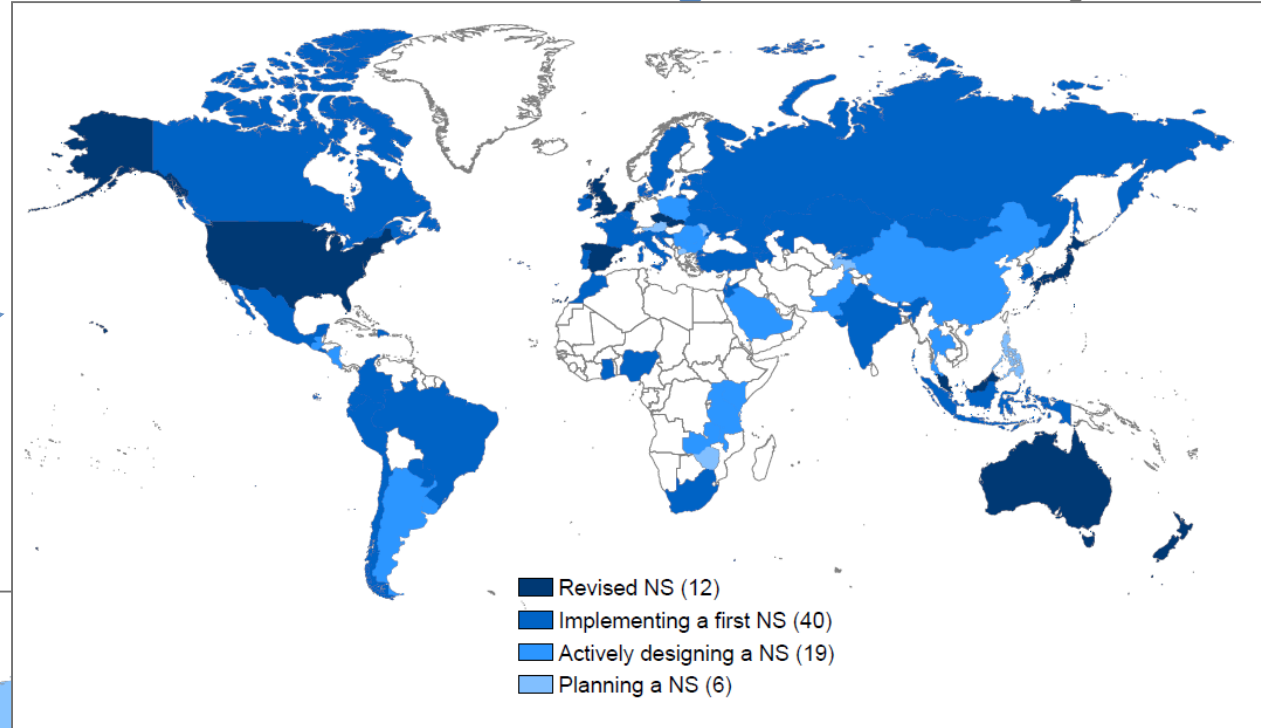
Maximum score is 21, composed of scores for financial knowledge, behaviour, attitude



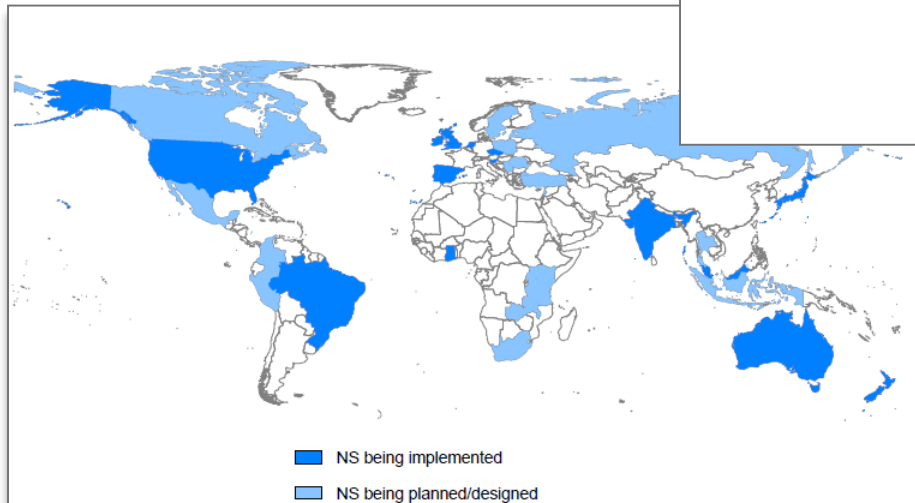


International good practices on financial education are spreading

Status of National Strategies as of January 2019



National Strategies for financial education in 2012



This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area



OECD is working with countries on National Strategies and their implementation

Supporting the implementation of National Strategies

Georgia

- Financial literacy survey using the OECD Toolkit in 2016
- National Strategy designed and launched in 2016
- Preparing an Action Plan to outline concrete implementation steps, roles of responsibility
- Creating a funding model for implementation
- Focusing on clear target groups: rural versus urban, MSMEs, youth and schools

Evaluation of National Strategies

Hong Kong / Netherlands / Peru / UK

- Evaluation approach to be integrated in the NS, linked to indicators / feedback mechanisms
- No one approach for all - but clear lines of responsibility, multiple and transparent flows of data, incentives for accountability ...
- Manageable governance structure and open feedback from implementing stakeholders
- Communication strategy for evaluation results
- Dedicated funding

Improving the financial literacy of youth and in schools

Armenia and the Kyrgyz Republic

- Developing core competencies, based on the OECD CCs for youth
- Agreeing on clear lines of responsibilities
- Adapting existing school curricula
- Committing resources to teacher-training
- Developing content
- Evaluating pilots



Ukraine is already on the right path, but there is still some way to go

Congratulations to Ukraine and the National Bank on a completed financial literacy survey and on their first National Strategy. [and on joining INFE as a full member in 2018!]

An exciting but difficult path ahead – implementation / implementation / implementation.

- Identify and work closely together with **committed stakeholders**
- Focus on **clear target groups** that match the resources and ambitions of the national strategy [and can deliver reasonably **quickly successful initial outcomes**]
- Ensure you **evaluate your efforts** (and pilots if possible) to promote efficiency and effectiveness; but also to be able to communicate openly on successful activities and **gain public trust and traction.**
- The NBU, full member of the INFE since 2018, can **benefit from the experience of the global network of the INFE** and its Working Group on Standards, Implementation and Evaluation





Thank you / Дякую

Kiril KOSSEV

Kiril.KOSSEV@oecd.org

All OECD / INFE publications and materials available at:

www.oecd.org/finance/financial-education