



EIOPA-CCPFI-11/018

16 December 2011

**Report  
on Financial Literacy and Education  
Initiatives by Competent Authorities**

## Table of Contents

Section	Page No
List of Abbreviations	3
Executive Summary	4
How this report was produced	6
Background on financial literacy and education initiatives carried out by other international bodies such as the OECD and European Commission	7
1. Objective of this Report	9
2. Scope and Methodology – the notions of financial literacy and financial education	9
3. Legal status of national initiatives and Domestic and International Co-ordination	12
4. National target groups, tools and programs regarding financial literacy and education initiatives	20
5. Evaluation and measurement of success	32
6. Conclusion and suggestions for follow-up exercise	37
<u>Annex I</u> : Questionnaire circulated amongst EIOPA Members and Observers to carry out stock-taking exercise	38

## List of Abbreviations

ESA = European Supervisory Authority

ESMA = European Securities and Markets Authority

EBA = European Banking Authority

OECD = Organisation for Economic Co-operation and Development

INFE = International Network for Financial Education

## Executive Summary

EIOPA is required under its empowering legislation to “**review and co-ordinate financial literacy and education initiatives by the competent authorities**”<sup>1</sup>. N.B. This provision makes clear, however, that EIOPA’s remit in this area does not extend to making substantive policy proposals.

The following Report is, therefore, an initial “**stock-taking exercise**” of existing national initiatives. This report will be up-dated periodically. The objective is for future reports to be published on a cross-sectoral basis via the Joint Committee of the European Supervisory Authorities (ESMA, EBA and EIOPA), not least because the issue of financial literacy and education cuts across financial sectors and the same requirement to review and co-ordinate national initiatives exists in the empowering legislation of all three ESAs.

**The following is a list of the general conclusions contained in this Report concerning the field of financial literacy and education:**

### **National strategies/Legal Competences of EIOPA Members regarding financial literacy and education**

- Most EIOPA Members neither have a national strategy on financial education nor have one under preparation.
- The **common approach** amongst those EIOPA Members where there is a national strategy on financial education (6 Members) or one which is under preparation (5 Members) is that the **national strategy is approved by either the government or the Parliament. Typically**, therefore, the strategy is **formulated in primary legislation**. A few EIOPA Members have, instead of formulating a national strategy, set up a separate body specifically for financial education.
- Most national supervisory authorities are competent in the field of financial education by virtue of the fact that the **competence is enshrined in national laws directly or the competence derives from classical financial consumer protection objectives**. Those authorities which have no legal obligation still do carry out some education/information activity.

### **Domestic and international co-operation in the field of financial literacy/education**

- At the *domestic* level, there are **two areas of (formal or informal) collaboration in the public sector** for almost all countries.
- The first one is **cooperation between supervisors and the various entities involved in consumer protection**. Some countries have felt the necessity to give an official status to such collaboration by co-ordinating the various entities through an *ad hoc* body.
- The other one is **cooperation between supervisors and schools, universities and academic bodies** for the promotion of the financial

<sup>1</sup> Article 9(1)(b), Regulation 1094/2010 of the European Parliament and Council of 24 November 2010 establishing EIOPA

education of teachers, students and the general public; although such promotion is present – to various degrees and sometimes (when there is no official strategy) on an informal basis – in all countries, only 9 have formalized their collaboration with the Ministry of Education.

- At the *international* level, the OECD and its INFE seem to play the major role as regards co-operation in this field, mainly as a forum for the development of research, methodologies, data collection as well as analytical and comparative work, guidelines and principles and the sharing of ideas.

### National target groups, tools and programs regarding financial literacy/education initiatives

- Apart from initiatives aimed at the general public, Members' activities in this area have been **focusing on specific target groups**.
- As far as national tools and programs are concerned, there is **a wide variety of tools used by Members**, the most common being the Internet/websites. In addition, from the initiatives covered by this Report, a **trend can be noted towards more accessibility** of/to the tools and **more appealing content**.
- It is also possible to conclude that, there are not only **experiences from pilot projects** but also real **assessments** being made **on an on-going basis**, in view of identifying the need to update, revise or redevelop the programs in place.
- Furthermore, it is worth noting that there are not only **a large number of programs in place**, but also a significant **amount of planned projects**, revealing the issue of financial education and literacy is gaining importance in the scope of EIOPA Members' activities.
- Some **national experiences**, either **carried out by Members on their own initiative or through cooperation**, may be mentioned as a reference of **successful projects** in this context.

### Evaluation and measurement of success

- EIOPA Members are at **different stages of development** with regards to the processes they use to evaluate their financial education programmes.
- There is not enough information to fully assess how the national evaluation processes compare to those recommended by the OECD Guide to Evaluating Financial Education Programmes.

## **How this Report was produced**

It was proposed, as part of the Mandate of EIOPA's Committee on Consumer Protection and Financial Innovation (CCPFI), to carry out an initial stock-taking exercise of national initiatives in the field of financial literacy and financial education.

A questionnaire was developed for the stock-taking exercise within the CCPFI (see Annex I). The questionnaire was completed by 30 of the 32 CCPFI Members and answers were collated in a spreadsheet.

The draft Report, produced initially by EIOPA staff and four CCPFI Members (HU, IT, PT and UK), was circulated amongst CCPFI Members over summer 2011 for further comments and then received preliminary approval at the CCPFI meeting on 21 September 2011. OECD and EC representatives were also invited to comment on the draft Report and attended a CCPFI meeting on 21 September 2011.

It subsequently received formal approval from EIOPA's Board of Supervisors on 21 October 2011. Following approval of the report by the Board of Supervisors, the Report was circulated to EIOPA's Insurance/Reinsurance and Occupational Pensions Stakeholder Groups (IRSG) for an informal consultation. The IRSG endorsed the content of the Report and no substantive amendments were proposed.

## Background to initiatives carried out by other international bodies such as the OECD and European Commission

The OECD's pioneering work in the field of financial literacy and education is taken as a reference and inspiration for EIOPA's work. EIOPA<sup>2</sup> is aware of the considerable work the OECD has already carried out on reviewing and co-ordination of national initiatives on financial literacy and education in the context of its "project on financial education" (launched in 2003 under the aegis of the OECD's Committee on Financial Markets and the Insurance and Private Pensions Committee) and the subsequent International Network for Financial Education (INFE)<sup>3</sup> and International Gateway for Financial Education, created in 2008. The OECD/INFE has an extensive program of work on financial education and awareness issues, including the development of data collection, research and good practices. Among other initiatives, and taking into consideration the insurance and private pensions sector, it is important to mention the following:

- The publication of *"Improving Financial Literacy: Analysis of Issues and Policies"* (2005), which provides information to policymakers on effective financial education programmes and analyses financial literacy surveys in member countries, highlights the economic, demographic and policy changes that make financial education increasingly important, and describes the different types of financial education programmes currently being offered in OECD countries
- The publication of *"Improving Financial Education and Awareness on Insurance and Private Pensions"* (2008), which highlights good practices, endorsed by OECD governments, to enhance awareness and education on risk, insurance and private pensions issues;
- The publication of the proceedings of two global conferences in Washington (2008) and in Rome (2010). Such proceedings gather reports and research developed for these respective events including on financial education in the area of pension and annuities, financial education in the area of credit, risk awareness and mitigation, financial education in schools, the measure of financial literacy, and the evaluation of financial education programmes.
- 2005 – Recommendation on Principles and Good Practices for Financial Awareness and Education
- 2008 – Recommendation on Good Practices for Financial Education relating to Private Pensions
- 2008- Recommendation on Good Practices for Enhanced Risk Awareness and Education on Insurance Issues
- 2009- Recommendation on Good Practices for financial education and awareness relative to credit
- OECD PISA Financial Literacy Assessment – in 2012, the OECD will test 15 year-olds on their knowledge of personal finances and ability to apply it to their financial problems

---

<sup>2</sup> Please note that six Member States represented on EIOPA's Board of Supervisors are not currently Members of the OECD (BG, CY, LI, LT, LV and MT).

<sup>3</sup> [http://www.financial-education.org/pages/0,3417,en\\_39665975\\_39667032\\_1\\_1\\_1\\_1\\_1,00.html](http://www.financial-education.org/pages/0,3417,en_39665975_39667032_1_1_1_1_1,00.html).

- Forthcoming 2011– Report on the Results of an OECD/INFE pilot to measure financial literacy in 12 countries
- Forthcoming – Guidelines on financial education at school (currently public consultation on the gateway)
- Forthcoming- High level Principles on the evaluation of financial education programmes (currently public consultation on the gateway)
- Forthcoming- High level principles on national strategy for financial education

Also, at the EU level, the following initiatives carried out by the European Commission can be highlighted<sup>4</sup>:

- European Commission Conference on “Increasing Financial Capability”, 28 March 2007
- Survey of financial literacy schemes in the EU (2007)<sup>5</sup>;
- The launch of the European Database for Financial Education (EDFE) in 2009, an “electronic library” of existing financial education schemes;
- The creation of the Commission Expert Group on Financial Education in 2008<sup>6</sup> - composed of financial education practitioners with an aim to promote the exchange of ideas, experiences and best practices. The group advised the Commission on its policy-making in the area of financial education. The Group’s three year mandate came to an end in June 2011, noting that the Commission will focus on consumer protection and continue to monitor the many activities driven by the OECD.
- The Dolceta project<sup>7</sup>, which is an on-going online Consumer Education project involving 27 countries of the EU, financed by the European Commission. DOLCETA offers online modules which focus on different consumer topics
- The sponsorship of national initiatives aimed at promoting financial education.

Against this background, EIOPA’s main purpose with the publication of the present Report is to focus on the involvement of its Members and Observers with the issues of financial literacy and education. As stated below under Objectives of this Report, this project has been implemented under the new tasks and competences in the field of consumer protection and financial innovation as defined under Regulation no. 1094/2010 of the European Parliament and of the Council of 24 November 2010, establishing a European Supervisory Authority (EIOPA) (hereafter referred to as “the EIOPA Regulation”) and does not purport to duplicate or to overlap other concurrent work flows.

---

<sup>4</sup> Cfr. Staff working document of the Internal Market and Services DG “Review of the Initiatives of the European Commission in the Area of Financial Education” of 2011.03.31, [http://ec.europa.eu/internal\\_market/finservices-retail/docs/capability/evaluation\\_financial\\_education\\_en.pdf](http://ec.europa.eu/internal_market/finservices-retail/docs/capability/evaluation_financial_education_en.pdf).

<sup>5</sup> [http://ec.europa.eu/internal\\_market/finservices-retail/capability/](http://ec.europa.eu/internal_market/finservices-retail/capability/)

<sup>6</sup> More information about the activities of the EGFE may be found at [http://ec.europa.eu/internal\\_market/finservices-retail/capability/](http://ec.europa.eu/internal_market/finservices-retail/capability/)

<sup>7</sup> <http://www.dolceta.eu/>



## 1. Objective of this Report

- 1.1 Article 9(1)(b) of the Regulation establishing EIOPA provides:

*The Authority shall take a leading role in promoting transparency, simplicity and fairness in the market for consumer financial products or services across the internal market, including by:*

***(b) reviewing and coordinating financial literacy and education initiatives by the competent authorities***

- 1.2 The aim of this Report is to contribute to the above mentioned task by carrying out an initial stock-taking exercise of financial literacy and education initiatives by “the competent authorities”. This term is used in the Regulation to mean primarily the Members of EIOPA’s Board of Supervisors. It does not cover all the bodies responsible for financial literacy and education in the different Member States. **It is recognised that not all Members of EIOPA’s Board of Supervisors are authorities responsible for financial literacy and education and that some national bodies responsible for financial education do not see their action reflected in this report<sup>8</sup>.**
- 1.3 Furthermore, although the focus of this report is on financial literacy and education initiatives from an insurance and pensions perspective, in a number of cases in this report, the national tools and programmes referred to are in fact cross-sectoral in nature. Therefore, for those national authorities that have a wider remit than insurance and pensions, the answers reflected in this report are not necessarily limited to insurance and pensions.
- 1.4 The conclusions of this Report and any further work by EIOPA in this field will be taken into account within the scope of EIOPA’s upcoming projects in this area under the auspices of the Joint Committee of the ESAs in the future.

## 2. Scope and Methodology - the notions of financial literacy and financial education<sup>9</sup>

- 2.1 **Financial education** is defined by the OECD and its International Network for Financial Education (INFE)<sup>10</sup> as *“the process by which consumers/investors improve their understanding of financial products and concepts 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 and protection”.*

---

<sup>8</sup> However, some EIOPA Members sought relevant information from other authorities and bodies in their jurisdiction.

<sup>9</sup> N.B. The terms “financial capability” and “financial competency” are also typically employed in this area e.g. European Commission conference on “Increasing Financial Capability” held in March 2007: [http://ec.europa.eu/internal\\_market/finservices-retail/docs/capability/minutes\\_en.pdf](http://ec.europa.eu/internal_market/finservices-retail/docs/capability/minutes_en.pdf)

<sup>10</sup> [http://www.financial-education.org/pages/0,3417,en\\_39665975\\_39667032\\_1\\_1\\_1\\_1\\_1,00.html](http://www.financial-education.org/pages/0,3417,en_39665975_39667032_1_1_1_1_1,00.html)

2.2 This definition is implicitly recognised in the European Commission's Communication on Financial Education adopted in December 2007<sup>11</sup>. Within the definition above, information involves providing consumers with facts, data and specific knowledge to make them aware of financial opportunities, choices and consequences and instruction involves ensuring that individuals acquire the skills and ability to understand financial terms and concepts, through the provision of training and guidance.

2.3 Two definitions of **financial literacy** are used by the OECD and its INFE, one for adult populations and the other for populations of (15 year olds) young people. The one for adult populations was developed for the OECD INFE financial literacy measurement pilot and is:

*"A combination of awareness, knowledge, skills, attitude and behaviours necessary to make sound financial decisions and ultimately achieve individual financial wellbeing"*<sup>12</sup>

The definition of financial literacy for populations of *young people (youth and pupils and students at school – aged 15)* is the current working definition of "financial literacy" developed for the OECD's PISA (Programme for International Student Assessment) 2012 Financial Literacy Framework (the first large-scale international study to assess the financial literacy of young people), which is the following:

*"Financial literacy is knowledge and understanding of financial concepts and the skills, motivation and confidence to apply such knowledge and understanding in order to make effective decisions across a range of financial contexts, to improve the financial well-being of individuals and society and to enable participation in economic life"*<sup>13</sup>

2.4 It is therefore possible to see that financial education initiatives are the means to improve the state of financial literacy of their target population. In short, therefore, financial literacy is the desired and beneficial effect of having received financial education.

2.5 Financial education needs to be distinguished from consumer protection, although there is some overlap between the two. The provision of information on financial issues is common in both. However, financial education supplements this information with the provision of instruction while consumer protection emphasises regulation and supervision designed to enforce minimum standards, require financial institutions to provide clients with appropriate information, strengthen the legal protection of consumers when something goes wrong, and provide for systems of redress. Financial education facilitates enhanced consumer protection<sup>14</sup>.

---

<sup>11</sup> [http://ec.europa.eu/internal\\_market/finservices-retail/docs/capability/communication\\_en.pdf](http://ec.europa.eu/internal_market/finservices-retail/docs/capability/communication_en.pdf)

<sup>12</sup> Assessing Financial Literacy in 12 countries an OECD pilot exercise Page 3: <http://www.financialliteracyfocus.org/files/FLatDocs/OECD%20paper.pdf>

<sup>13</sup> N.B. This definition is consistent with the PISA definitions for literacy and numeracy. It may change slightly as the PISA 2012 Financial Literacy Framework is still evolving. PISA 2012 Financial Literacy Framework (Draft subject to possible revision after the field trial) Point 38 <http://www.oecd.org/dataoecd/8/43/46962580.pdf>

<sup>14</sup> Taken from OECD's "Improving Financial Literacy: Analysis of Issues and Policies": [http://www.oecd.org/document/2/0,3746,en\\_2649\\_15251491\\_35802524\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/2/0,3746,en_2649_15251491_35802524_1_1_1_1,00.html)

- 2.6 “Generic financial advice”<sup>15</sup> is also a means that some countries are using to promote financial literacy and education. The Commission’s Directorate-General for Health and Consumer Protection (Sanco) is currently carrying out a study on mapping providers of generic financial advice<sup>16</sup>.

---

<sup>15</sup> The term “generic final advice” has been defined/described in different ways:

(i) Otto Thoresen in the foreword to the final report of the UK’s Thoresen review of generic financial advice in the UK describes “generic financial advice” as:

*“guidance on the money matters that shape people’s lives: budgeting weekly or monthly; saving and borrowing; protecting and insuring the individual and the family; and retirement planning. ... also to understand tax and benefits better and...technical financial language demystified– “jargon busting”.*

Source: Thoresen Review of generic financial advice Final Report March 2008, page 1  
[http://webarchive.nationalarchives.gov.uk/+http://www.hm-treasury.gov.uk/media/8/3/thoresenreview\\_final.pdf](http://webarchive.nationalarchives.gov.uk/+http://www.hm-treasury.gov.uk/media/8/3/thoresenreview_final.pdf)

(ii) Based on the definition for generic advice services in the 2005 UK FSA publication “Building Financial Capability in the UK” generic financial advice could be defined as advice that helps people plan their finances and identify the priorities for action but does not go as far as recommending an individual product or service from a particular provider.

Source: 2005 UK FSA publication “Building Financial Capability in the UK” . Definition of generic advice services on page 7 is: “‘Generic’ advice services are personal or interactive services which help consumers to plan their finances and identify the priorities for action. They don’t go as far as recommending an individual product or service, but they might help bridge the gap for consumers who need financial services and are not currently accessing them.” [http://www.fsa.gov.uk/pubs/other/financial\\_capability\\_uk.pdf](http://www.fsa.gov.uk/pubs/other/financial_capability_uk.pdf)

(iii) The European Commission describes “general financial advice” in a study it is currently carrying out as:

*“...guidance on purchase processes in financial services that is general in nature, but still personal to the individual consumer, included as necessary advice about consumer’s specific needs. The envisaged general financial advice does not amount to a recommendation of specific products or providers (such a recommendation would often be subject already to EU rules on financial advice). It would focus instead on personalised information advising consumers on the general characteristics of different products and services (ways of buying the products), and providing help on some of the pitfalls relating to the purchase of financial products. Such guidance may include information on selling practices and consumer rights in relation to different financial services providers, such as credit institutions and intermediaries, investment firms and advisors, insurance undertakings and intermediaries. It can also cover general financial planning and the kinds of products that consumers should be considering given their particular needs”.* (European Commission study on mapping providers of generic advice (see footnote 16)

<sup>16</sup> [http://www.civic-consulting.de/project\\_43.html](http://www.civic-consulting.de/project_43.html),  
[http://www.economiceducator.eu/index.php?option=com\\_content&view=article&id=58:study-on-general-financial-advice&catid=3:international&Itemid=50](http://www.economiceducator.eu/index.php?option=com_content&view=article&id=58:study-on-general-financial-advice&catid=3:international&Itemid=50)  
[http://ec.europa.eu/consumers/tenders/information/tenders/docs/tender\\_specification\\_125-206543\\_en.pdf](http://ec.europa.eu/consumers/tenders/information/tenders/docs/tender_specification_125-206543_en.pdf)

### 3. Legal status of national initiatives and Domestic and International Co-ordination

#### 3.1 National strategies/objectives

##### 3.1.1 EIOPA Members with national strategies

In six Member States, **there is already a national strategy on financial education in place: CZ, ES, FI, NL, PT and SK.**

**In CZ**, the strategy was approved in May 2010 by the Czech Government.

**In ES**, there is a national programme that covers all the financial sectors, including pension funds, called "*Plan de Educación Financiera*".

**In FI**, the Finnish Government issued a principle based Consumer Policy Programme for 2008-2011.

**In PT**, the Portuguese Parliament has adopted two acts addressing recommendations to the Government on possible sets of measures aimed at promoting financial literacy. In particular, one of the acts foresees in an express manner the objective that the Government takes into account the content of the National Plan on Financial Education, which is a joint initiative of the three sectoral national supervisory authorities. The Plan considers the years 2011-2015 and it was decided that its governance model should include, apart from the Co-ordinating Commission (composed by representatives of the financial regulators), two Monitoring Committees and a Consultative Committee (these, including public entities, financial sector associations, consumer representatives, universities as well as other entities aiming at the promotion of financial literacy).

**In SK**, the Government of the Slovak Republic approved a framework document "The strategy of financial education and management of personal finance" which sets out basic principles of financial education. The Ministry of Education was appointed to create the National Standards for Financial Literacy Education and the program of implementation of this strategy.

##### 3.1.2 EIOPA Members for which the preparation of a national strategy is in progress

For five countries, the **preparation of such a document is in progress (EE, IT, LT, PL, RO)**. **In IT**, the Parliament is at present working on the adoption of a specific Bill on Financial Education, also considering some coordination issues.

**In LT**, the drafting of the program of national financial education is also in progress. The program should set high level principles of national financial education as well as the scheme of integrated measures for achieving particular educational goals.

**In PL**, the Polish National Strategy on Financial Education is still in the early stage of development and has not been implemented, the only high level principles on this matter are based on the recommendations issued by the executive bodies of the unions and organisations of which Poland is a member.

**In RO**, the CSSPP is involved in a working group on development of a national strategy of financial education. The National Strategy will provide an overview of financial education in Romania. The purpose of this strategy is to create a framework that all organizations involved in financial education, and policymaking in this area, will find useful and provide guidelines on developing financial education programs for the next five years.

**In EE**, Financial Supervision Authority is cooperating with Estonian Ministry of Finance for creating a national strategy on financial education. Estonian Ministry of Finance (MoF) financed the OECD financial literacy survey in Estonia. It took part at the end of 2010. This will be considered as a baseline survey for national strategy. In February 2011 MoF invited all financial literacy stakeholders to a roundtable to discuss enhancing cooperation and creating a national strategy. Based on feedback from that meeting MoF created a task force which is leading the process of creating the strategy. The aim is to launch the strategy in 2013.

### **3.1.3 EIOPA Members with no national strategy**

The majority of members of EIOPA's CCPFI have **no national strategy on financial education**. These are **AT, DE, EL, FR, HU, IS, LV and MT**.

### **3.1.4 Members with special bodies regarding financial education**

There are some countries where there is no national strategy on financial education; however, **a special body** has been set up with the aim to determine principles on financial education initiatives themselves (**IE**) or with the particular aim to improve financial literacy (**DK, LU, NL, NO, UK, SE**).

**In IE**, the National Steering Group on Financial Education was established by the then Financial Regulator (now Central Bank of Ireland) in late 2006 and included a range of stakeholders with an interest in personal finance and/or education. The purpose of the Steering Group was to encourage the development of personal finance education in the Republic of Ireland.

The group conducted extensive work including a review of current practices and resources in financial education in Ireland and abroad and a financial competency framework was developed. This is a resource development tool that would support the creation of personal finance education initiatives and to define what a financially capable person should know and be able to do.

While there is no 'national strategy' per se, the Steering Group published a report 'Improving Financial Capability – a multi-stakeholder approach' in mid-2009, making commitments and recommendations intended to foster personal finance education in this country. The Report sets out a roadmap for where the Steering Group saw financial education going in the future but there are no specific time spans.

**In BE**, on April 1, 2011, a law entered into force introducing the 'Twin Peaks' financial supervisory model in Belgium. The law provides that the FSMA (Financial Services and Markets Authority) contributes to the financial literacy and education of financial consumers. The FSMA is currently exploring how it can best implement this new competence and take a co-ordinating or leading role - e.g. by developing a network with relevant stakeholders and/or defining a strategy at national level.

**In DK**, instead of launching a National Strategy, a board called The Money and Pension Panel was established by the Danish Parliament in June 2007. The aim of the Panel is to further more comprehensive knowledge of and interest in financial matters among consumers. The main tasks of the Panel are from an objective point of view:

- (i) to provide consumer information about financial products and services;
- (ii) to carry out and publish financial market studies of e.g. prices, customer services and conditions at diverse financial suppliers; and
- (iii) to carry out consumer affairs studies thereby achieving a better understanding of e.g. consumer views, consumer behaviour and consumer affairs with regards to the provision of financial services.

**In LU**, financial education is present at two different levels:

1. at the level of *continuous vocational training (CVT)* for the broad public and for professionals of the financial industry:

CVT or tailor-made training for the professionals of the financial industry is offered by private companies (such as the "Institut de Formation Bancaire Luxembourg") as well as public institutions such as the Chamber of Commerce or the Chamber of Workers ("Chambre des Salariés"). In the early 1990s, at a time when the Government wanted to emphasize the growing importance of CVT to the economic and social development of Luxembourg, the law of 1st December 1992 created the National Institute for the Development of Continuous Vocational Training (INFPC), which is a state institution under the supervision of the Ministry of Education. The INFPC is responsible for the promotion of CVT and the development of CVT concepts, in association with private partners, such as training companies, and institutional partners, such as social partners.

2. at the *academic* level via education programs and academic research in finance for university students:

At the academic level, the Luxembourg School for Finance (LSF) was created in 2003 as a Department of the Faculty of Law, Economics and Finance at the University of Luxembourg. The LSF is offering education programs and conducts academic research in finance at the highest level. It strives to attract students having a previous degree in finance or in a related field, as well as professionals seeking to obtain a greater theoretical foundation in finance to support their career objectives.

**In the NL**, in 2006, the Ministry of Finance initiated the platform *CentiQ, Wijzer in geldzaken (the Money-Wise Guide)*. In this platform, some forty partners from the financial sector, government, public information and consumer organisations and the field of science have joined forces to strengthen the consumer's position in the financial domain.

**In NO**, there is no defined national strategy on financial education; however, the Consumer Council of Norway established the 'Finansportalen' internet based price comparison service for financial services. The website furthermore gives advice to consumers how to manage their finances.

**In SE**, in 2010, Finansinspektionen and several other stakeholders started to build a network for financial education, an assembly for raising self confidence in personal finances--GillaDinEkonomi. This network has also been supported by the Swedish Ministry of Finance.

**In the UK**, the Financial Services & Markets Act 2000 (FSMA) provides for the regulation of financial services and markets in the UK, and, until 2010, included provision for financial education, by providing a public awareness objective of “promoting public understanding of the financial system”. The FSA interpreted the above as increasing the public’s financial capability, leading to a five-year national strategy for financial capability from 2006-2011.

The Financial Services Act 2010 (the Act) made a number of amendments regarding the provision of financial education. The Act removed the FSA’s regulatory objective of promoting public understanding of the financial system and required the FSA to establish a new consumer financial education body (now named the *Money Advice Service*). Its purpose is to raise the public’s understanding and knowledge of financial matters (including the UK financial system) and improve their ability to manage their financial affairs. The Money Advice Service, launched in April 2011, and its new online health check, seeks to go beyond information and education, to provide generic advice, as a more assertive method aimed at empowering consumers and influencing their behaviour.

### **3.2 Legal Obligations or Competences of Supervisory Authorities**

#### **3.2.1 EIOPA Members with a legal obligation**

The following countries **have competence** for financial education stipulated in their national laws: **BE, DK, FI, HU, IT, LT, PL, RO (CSSPP), SE and UK**.

**In BE**, the FSMA got new competences in the field of financial education from 1 April 2011.

**In DK**, an Act issued by the Danish Parliament established the Money and Pension Panel under the Danish FSA.

**In FI, SE and HU**, the act on the Financial Supervisory Authority sets the requirements and obligations on financial education, **in IT**, the Italian Insurance Code sets out requirements and obligations.

**In the UK**, the Money Advice Service has responsibility for enhancing the public’s understanding and knowledge of financial matters and ability to manage money. As mentioned above, this replaces the FSA’s former objective to promote public understanding of the financial system; however, under the Act, the FSA, in discharging its general functions, still has a legal obligation to have regard to the desirability of enhancing the public’s understanding and knowledge of financial matters.

**In RO**, one of the attributes of the supervisory authority set up by law is to inform and education the population regarding the private pension system.

**In HU, PL and SE a separate department/secretariat within the Authority** is set up to deal with the tasks of financial education.

### 3.2.2 EIOPA Members with indirect obligations

**CZ, ES, EE, LT, MT, NL, NO and PT have an indirect obligation with regard to financial literacy and education.** In **MT**, this is stipulated in the act on the FSA; however, in this case, the financial education competence is originated from the normal consumer protection task of the authority. In **LT**, the Insurance Act stipulates the objective, but the wording is quite general: *"to ensure protection of interests and rights of the policyholders, insured, beneficiaries and injured party"*. In **PT**, the statutory mission of the ISP has been interpreted so as to provide coverage for action in this field (which is covered by the regulator's Strategic Plan). Also, indirectly, the above referred legal act No. 71/2011 recognises the competence of the three Portuguese financial services authorities. In **EE**, in the Financial Supervision Authority's strategy for 2011-2015, a chapter has been dedicated to financial literacy. The objective is to raise the level of financial literacy in Estonia by taking an active role in creating a national strategy and cooperating with various public and private sector organizations for promoting financial literacy in target groups.

In **CZ**, the national strategy gives the legal background as is also the case in **ES** where the Directorate General for Insurance and Pension Funds signed a Co-operation Agreement with the responsible bodies such as the Bank of Spain and the National Commission on Securities Market.

In summary, most of the above Members are competent in the field of financial education by virtue of the fact that competence derives from classical financial consumer protection objectives.

### 3.2.3 EIOPA Members with no current competence

**AT, DE, EL, ES, FR, IS, LT, LU, LV and SK have no competence** in financial education. Even though there is neither a legal obligation nor competence in the field of financial education, in **FR**, the French ACP operates the common gateway that informs and guides members of the public; in **DE**, BaFin (as well as in **IS**, FME), operate a consumer helpline and in **RO**, the CSSPP has specific communication actions. Although the CSA-ISC in **RO** does not have a specific legal obligation regarding financial education, it carries out public information and financial education actions and projects aimed at enabling the achievement of CSA-ISC's goal, stipulated by law, namely to defend insured persons' rights and to promote stability of insurance markets in **RO**.

### 3.2.4. EIOPA Members where a separate body is competent

**Another national body** - rather than the financial supervisory authority - **is competent in IE** since the financial education function previously under the responsibility of the Financial Regulator (now Central Bank of Ireland) was transferred to the National Consumer Agency.

In the **UK and DK**, the Money Advice Service and the Money and Pension Panel respectively have the primary competence.



### 3.3 Domestic co-operation

#### 3.3.1 Collaboration in the Public Sector

- School education

Nine countries collaborate with the Ministry of Education for the development and/or realisation of educational programmes (**AT, CZ, DE, EE, IE, IT, SK and UK**).

- Education in the field of consumer protection:

The general approach is that of co-operation, at a formal or informal level, with ministries/ombudsmen/associations/organisations/federations/institutes/platforms/councils/networks dealing with consumer protection in the field of financial services (**AT, BE, CZ, DE, DK, EE, FI, FR, HU, IE, IT, LT, LV, NL, NO, PL, PT, RO, SE, SK, UK**).

Members for which cooperation with the central banks and/or other regulators is formally established are **AT, DE, ES, FR, IE, IT, HU, LT, PT, SK, UK** (**HU, IE, IT and UK have a Memorandum of Understanding**).

In particular, in nine countries, co-operation is established by law and organised through ad hoc bodies: **DK**: Money and Pension Panel, **FI**: Advisory Council on Consumer Affairs, **FR**: ACP-AMF Joint Committee, **IE**: National Steering Group on Financial Education and The Money Skills for Life programme, **NL**: platform CentiQ, (the Money-Wise Guide), **PT**: projects co-ordinated through the National Council/Board of Financial Supervisors (“Conselho Nacional de Supervisores Financeiros”), with a broader scope of intervention, **SE**: GillaDinEkonomi, **SK**: InterMinisterial Expert Group, **UK**: The Money Advice Service.

#### 3.3.2 Collaboration with the Private Sector

In **AT, EE, MT, PT, RO (CSA-ISC), SE, SK, UK** supervisors also directly collaborate with the (regulated) firms/ trade and sectoral associations/ education institutions, foundations, union organisations as well as other entities representing interests and areas.

### 3.3 International co-operation

25 countries<sup>17</sup> (**AT, BE, BG, CZ, DE, DK, EE, EL, ES, FI, FR, HU, IE, IT, LU, LT, NL, NO, PL, PT, RO, SE, SI, SK and UK**) are members of OECD's INFE. The forum develops analysis, good practice and methodology for measuring financial literacy nationally and compares them internationally in order to:

---

<sup>17</sup> N.B. In this section 3.3 (as referred to in paragraph 1.2 above), the notion of “countries” is much broader than the notion of “competent authorities” under the EIOPA Regulation.

- Support the development of national strategies on financial education;
- Evaluate the effectiveness of financial education programmes
- Develop financial education in schools;
- Support the empowerment of women through financial education and awareness initiatives and financial education initiatives aimed at improving financial inclusion and
- Provides an opportunity to network and share ideas with counterparts.

The INFE is also supporting the work of the OECD into various areas of the financial sector relevant for financial education including financial education and pensions (work on annuities, the role of financial education in the case of defined contribution schemes, pension awareness campaigns and strategies and pension statement) financial education and credit and saving and investments).

All EU Member States, Iceland and Norway are members of the [European Consumer Centre Network](#).

## **Conclusions**

### *National strategies/Legal Competences of EIOPA Members regarding financial literacy and education*

- Most EIOPA Members neither have a national strategy on financial education nor have under one under preparation
- **The common approach amongst EIOPA Members** where there is a national strategy on financial education (6 Members) or one which is under preparation (4 Members) is that the **national strategy is approved by either the government or the Parliament. Typically**, therefore, the strategy is formulated in **primary legislation**. A few Members have, instead of formulating a national strategy, set up a separate body specifically for financial education.
- Most national supervisory authorities are competent in the field of financial education by virtue of the fact that the **competence is enshrined in national laws directly or the competence derives from classical financial consumer protection objectives**. Those authorities which have no legal obligation still do carry out some financial education/information activity.

### *Domestic and international co-operation in the field of financial literacy/education*

- At the *domestic* level, there are **two areas of (formal or informal) collaboration in the public sector** for almost all countries.
- The first one is **co-operation between supervisors and the various entities involved in consumer protection**. Some countries have felt the necessity to give an official status to such collaboration by co-ordinating the

various entities through an *ad hoc* body.

- The other one is **co-operation between supervisors and schools, universities and academic bodies** for the promotion of the financial education of teachers, students and the general public; although such promotion is present – to various degrees and sometimes (when there is no official strategy) on an informal basis – in all countries, only 9 of them have formalized their collaboration with the Ministry of Education.
- At the *international* level, the OECD and its INFE seem to play the major role as regards cooperation in this field, mainly as a forum for the development of research, analysis, methodology, data collection, as well as good practices, guidelines and principles and the sharing of ideas.

## 4. National target groups, tools and programs regarding financial literacy / education initiatives

### 4.1 Target groups/Vulnerable groups

#### 4.1.1 General public

**Nineteen Members**<sup>18</sup> refer to the general public as their main target in the context of financial literacy and education activities: **AT, BE, DK, EE, ES, FI, FR, HU, IE, IS, IT, LT, LV, MT, NL, PL, PT, RO and UK**. Some amongst these also consider different target groups when planning their activities.

**A few Members** specify the addressees of their initiatives. For example, in **DK, IE and PL**, it includes **financial services consumers**. In **FI and FR**, the activities are focused on the **average man without any special knowledge of investment, insurance and banking products**. In addition, in **LT**, **potential buyers of unit-linked insurance products** are the main concern. In **EE**, also teachers and social workers are targeted via specific financial education projects.

**Other Members** do not distinguish their financial education activities by target groups in general, although they keep tailored programs and/or initiatives that may vary depending on the specific targets (**DK, HU**).

Nevertheless, based upon background work (surveys, studies, etc.) and, in line with policy recommendations, priority has been or is being given to **disadvantaged groups (in IE)** or those who are more **vulnerable to the consequences of poor financial decision-making (UK, PT)**. **The UK** highlights the importance of reviewing target groups in the light of changing circumstances such as the economic and financial crisis.

As far as **specific target groups** are concerned, an analysis of the input received by Members allows the identification of the following:

#### 4.1.2 Other groups

- **Teachers/Training**<sup>19</sup>

**Seven Members (CZ, EE, HU, IT, NL PL, PT)** name *Teachers/scholars and academic communities*.

**One among those (PT)** refers to *Training staff and trainees*.

- **Gender**

**One Member (HU)** refers to a specific program focussing on *Women*.

---

<sup>18</sup> In the case of UK & DK, the competent bodies are not EIOPA members.

<sup>19</sup> Regarding Students, please see section **Age/Life stages**, category *Youth/Students*.

- **Age/Life stages**

A possible classification of target groups takes into account factors such as age or the life stage of the concerned people.

In this context, **some Members** mention target groups which may be included in the category **Youth/Students**, as follows:

- *Youth (DK, EE, HU, NL, PL<sup>20</sup>, SE, UK), Young unemployed people (SE), Young people that leave home (DK)*
- *Students (EE, IE, LU, PL, PT, SE); among those, in particular, Secondary school students (IE) and Postgraduate students<sup>21</sup> (LU)*

**Others** refer to specific target groups that may be classified under **Adults**, such as *Parents, especially first time parents (DK, PL<sup>22</sup> and UK), non-married couples (DK), Adults active in the workplace, ranging from early enterers to pre-retirees (IE and UK), Employees in different industries and workplaces (SE) and People nearing retirement (UK).*

Finally, **one Member (CZ)** also mentioned the group of *Senior citizens*.

- **Vulnerable status/situations/life events**

Under this general label, one may differentiate according to:

- A particular status, including *Immigrants (ES, SE), People in Social Housing (UK), Offenders (UK), People with mental illness, people with autism and people with a learning disability (UK)* or
- Specific situations, such as *indebted individuals (DK), People nearing retirement (UK), People considering or going through a divorce/separation (UK), people facing or having recently faced redundancy and (young) unemployed people (SE, UK)*

---

<sup>20</sup> Newly developed educational website "Wędrówki złotówki" ("Money trip") will provide the youngest (7-10 year-old) with the most essential financial knowledge.

<sup>21</sup> In the context of the activities of the Luxembourg School for Finance, employees of the supervisory authority act as trainers in insurance matters.

<sup>22</sup> The Polish Financial Supervision Authority created an online guide and advice for new parents and people starting their first family on money management. "Z rodziną trzeba się liczyć" ("Counting the family") provides in one place all the information on dealing with financial challenges that can be faced by new parents.

- **Professionals**<sup>23</sup>

**Two Members** refer to *Professional groups* in general (**PT and RO**), but others distinguish:

- *Professionals who work in the field of financial services*, such as professional financial market participants<sup>24</sup> (**PL, DK**) and financial intermediaries and financial advisors (**SK**)

- Consumer organisations (**DK**), *entities working in the field of consumer protection*<sup>25</sup> (**PT**) and *Local and regional consumer advocates* (**PL**)

- *Members of the media* (**DK, IS, PL**)

- *Judiciary, prosecutors and law enforcement officers* (**PL**)

## 4.2 National tools and programs<sup>26</sup>

### 4.2.1 Delivery Channels

#### 4.2.1.1 Website/Internet

**A majority of Members** refer the use of *Websites/Internet* (**AT, BE, CZ, DE, DK, EE, ES, FI, FR, HU, IE, IS, IT, LT, LV, MT, NL, PL, PT, RO, SE, SK, UK**), including:

- Multi-channel advice service accessed online, by phone or face-to-face (**UK**)

- Internet-based interactive tools, such as an online health check (**HU, UK**) and a budget planner (**DK, EE, HU, PL<sup>27</sup>, UK**), advice on choosing financial products, the financial actions consumers should take when experiencing different life events (e.g. buying a home, becoming a parent for the first time, facing redundancy) and planning for potential life events (e.g. emergencies, losing their main source of income or death of a partner) and for retirement (**DK, UK**); interactive comparative tools/tables on products (**EE, HU, UK**) or on certain

---

<sup>23</sup> Taking into account the OECD INFE definition of financial education – see Section 2 (Scope and Methodology) – the notions of financial literacy and financial education -, it is possible to discuss whether the category of professionals may be seen as an autonomous category, as the content of that definition only includes consumers and investors. Notwithstanding, as it also appears to be the case of teachers and/or training staff, having professionals as the target of financial education activities is, at least, an indirect way to promote financial education and to reach consumers and investors. For such a reason and due to the fact that many of the reported national initiatives are aimed at professionals (circumstance that may support the conclusion that this interpretation is shared by some Members) this group was also included.

<sup>24</sup> = Representatives of the regulated entities.

<sup>25</sup> E.g., Directorate General for Consumers and the Local Information Centres for Consumers

<sup>26</sup> The list provided below is not exhaustive. It aims at illustrating the variety of tools and programs put in place (or planned) by Members in this area.

<sup>27</sup> The Polish FSA provides to the public two interactive budget planners, from which one is an internet-based tool and the other can be used as a stand-alone computer application. Version of more advanced budget planner dedicated to smartphones is under the late stage of development.

features of specific products **(HU, PT)** and sponsoring other internet based interactive educative tools<sup>28</sup> **(EE, HU)**

- Free development tools for consumers entering into certain life events; for example, testing your “financial decision-making style” and a mortgage checklist to check your mortgage advice consult and tools to help consumers with the different steps in arranging a mortgage **(NL)**.
- Personal finance website for all financial services consumers<sup>29</sup> and a general website for stakeholders, including educators<sup>30</sup> **(IE)**
- Comprehensive FAQs on banks, building societies, insurance, occupational pension schemes, financial investment and securities on the BaFin website **(DE)**
- General website **(ES<sup>31</sup>, DK<sup>32</sup>, SE<sup>33</sup>)**
- Information provided by the public sector (e.g. ministries and financial supervisors), non-profit organisations and the financial industry on their respective websites **(BE)**
- The development of specific websites/portal/information<sup>34</sup> dedicated to consumers/insurance education **(EE, HU, IT, MT, PT)** - among other contents, the websites usually have an insurance glossary. **In MT**, the consumer portal, distinguished from the supervisory authority’s general website, which offers information about financial products and lays out information on complaint handling processes. The same kind of portal exists **in PT**, including, apart from those features, also: frequently asked questions, the list of financial services providers which are authorised to render services, the list of the insurance undertakings’ clients ombudsmen as well as pensions ombudsmen and their contacts, useful hyperlinks or a tool allowing the complainant to file a complaint online. In EE the financial education website<sup>35</sup> contains impartial information on financial services, FAQ-s, 14 calculators, 4 comparison tables (the banks

---

<sup>28</sup> In fact, the HFSA made a tender financed with consumer protection fines by which it sponsored an internet based tool to be used by secondary school students for learning purposes (e.g., internet security when using a bank card or dealing with finance, such as money transfer, netbanking, etc.).

<sup>29</sup> [www.itsyourmoney.ie](http://www.itsyourmoney.ie)

<sup>30</sup> [www.financialcapability.ie](http://www.financialcapability.ie)

<sup>31</sup> [www.finanzasparatodos.es](http://www.finanzasparatodos.es)

<sup>32</sup> [www.ppp.dk](http://www.ppp.dk)

<sup>33</sup> [www.konsumenternas.se](http://www.konsumenternas.se): The website for the supporting organisations: The Swedish Consumers’ Insurance Bureau and The Swedish Consumers’ Banking and Finance Bureau.

<sup>34</sup> Q&A, glossary, online tool for filing complaints before the supervisory authority as well as allowing the complainant to get information on the status of the complaint, list and contacts of the relevant complaints managers of the firms and of the appointed ombudsmen, information on relevant legal instruments about each insurance type, the list of authorised entities, etc.

<sup>35</sup> [www.minuraha.ee](http://www.minuraha.ee)

themselves insert the data into the database and update it regularly), 7 interactive games and a jargon buster.

From the analysis of the national experiences reported by Members, it is possible to identify certain trends with a view of promoting an easier access to the tools as well as contributing to more attractive contents.

**One Member (IE)** highlighted that further to an agreement entered into with the Library Council, it has ensured free of charge access to the website through local libraries. **In HU**, most financial institutions have placed the banner of the HFSA's consumer protection website on their websites, bringing to the attention of the consumer the content of the HFSA's website<sup>36</sup>. HFSA is in close co-operation with NGOs and some other organisations and also placed the banner mentioned above on their homepage.

As far as content is concerned, some initiatives were carried out, such as:

- Replacing hardcopy publications with on-line information in a print-friendly format **(IE, PT)**. **In PT**, the Insurance and Pension Funds Guide, as well as several brochures are available online in a digital version.
- Publishing online user-friendly multimedia guides on insurance education<sup>37</sup> **(IT)**, which, apart from traditional format, also use computer animation and is based upon real-life situations
- Adopting a user-friendly website design<sup>38</sup> **(PL)**
- Using presentations and movies **(SE)** and TV series/radio/online movie clips **(EE, PL, RO)**

**In FR**, the ACP and the AMF launched the jointly operated service for answering public queries on 28 June 2010. Under the name of "*Assurance Banque Épargne Info Service*" (ABE IS), the common gateway comprises, among other features, a website<sup>39</sup> that informs and guides the public by providing general information about financial products, contracts and services and about the procedures for dealing with disputes. Other Members (such as **IT, PT**) report that single/common websites are a target of national initiatives involving different partners (among those, the supervisory authorities).

---

<sup>36</sup> The HFSA, in its general consumer protection recommendation (1/2011.IV.29) HFSA Recommendation on the principles of consumer protection expected from financial institutions) stipulated that financial institutions should place the banner of the HFSA's consumer protection website on their websites, bringing to the attention of consumers the content of the HFSA's website.

<sup>37</sup> Including contents such as: insurance basic concepts, non-life and life products (attention drawn to liability insurance and health insurance), complaints-handling and the role and activity of the supervisory authority.

<sup>38</sup> For instance, the ManyMany.info website ([www.manymany.info](http://www.manymany.info)), which is addressed to secondary school and academic students.

<sup>39</sup> At [www.abe-infoservice.fr](http://www.abe-infoservice.fr).



#### 4.2.1.2 Telephone lines (help lines)

**Some Members** allude to a dedicated (consumer information) telephone line (hotline/helpline) (**DE, FR, IE, IS, MT, NL, PL, PT, SE<sup>40</sup> and UK**).

#### 4.2.1.3 Media

**A considerable number of Members** use Media within the context of the development of their financial literacy/education activities. Although **some** refer to the **Media in general (IS)**, others highlight, more specifically:

- *TV and/or Radio (CZ, ES, HU, LT, MT, PL, RO)*, including animated TV spots (**HU**)<sup>41</sup>, participation in a TV series (**LT, PL, RO CSA-ISC**<sup>42</sup>) or TV commercials (**ES, UK**), regular radio broadcasts (**LT**) and, also, TV/radio/on-line movie clips (**RO**)

- *Press releases (DK, RO CSA-ISC and UK)*, *Articles in newspapers/magazines (EE, IS, HU, NL, PL)*, *Interviews (ES, HU)*

- *Press conferences (DK, LT, RO CSA-ISC)*

#### 4.2.1.4 Marketing/advertising campaigns

**Some Members** have implemented **marketing/advertising campaigns** in order to better capture the attention of their target audience.

In this context, **NL** mentions the use of *Advertising*, **IE** refers to *Pay-per-click campaigns/online promotions/display/banner advertising* and **RO-Pensions** underlines the use of *web banners*. The **UK** also uses online advertising.

**In certain countries (EE, IE, UK, RO-Pensions<sup>43</sup> and CSA-ISC<sup>44</sup>)**, multi-media national campaigns have been put in place. **One Member**

---

<sup>40</sup> [www.konsumenternas.se](http://www.konsumenternas.se): Telephone line to the supporting organisations: The Swedish Consumers' Insurance Bureau and The Swedish Consumers' Banking and Finance Bureau.

<sup>41</sup> It currently has a tender on making animated TV spots with the purpose of financial education, which includes the preparation of 16 short animated films on financial issues (MTPL, travel insurance, life insurance and other financial products). The plan is to broadcast 2 new films a month and the previous ones continuously from September 2011 to May 2012.

<sup>42</sup> 2009, TV show "Decisions for life" 16 weekly editions realized in cooperation with the National Association of Insurance and Reinsurance Companies from Romania. 2010 National campaign "The reality of insurance" –short tv spots shown on an important tv station for one month daily

<sup>43</sup> **In RO**, further to previous campaigns (such as the national public campaign on private pensions "Time goes in your favour/benefit" – 2007/2008 - it was launched in October 2010 by the Private Pension System Supervisory Commission the financial campaign *Learn to choose! Private pension, young decision*. This campaign (2010-2011) is currently ongoing and includes seminars on financial education held in top universities in RO, spots/movie clips on radio, TV and web, print and web on-line banners, printed leaflets/brochures/flyers, CDs and a Guide for the private pensions' consumer. Some of the materials were also distributed to the Parliament, other financial supervisory authorities and Government entities in order to be made available by those to the general public.

<sup>44</sup> 2008 – National campaign of public information regarding the citizens's rights to be compensated in case of auto accidents with unknown perpetrator, with or without MTPL insurance – CSA-ISC in partnership with Street Victims Protection Fund and Romanian Road Traffic Police

**(IE)** reports the use of marketing, advertising and public relations to promote consumer issues and highlight costs, risks and benefits of financial products and services.

#### 4.2.1.5 Publications

**Publications** represent one of the most used tools. Apart from *printed publications* in general (**LT, NL, PL**), **other Members** refer in particular to:

➤ *Guides*, for instance:

- Insurance and Pension Funds Guide for the public in general, also online (**PT**)
- Printed guides (**UK**), for instance, Life event guides, including a Parent's Guide to Money<sup>45</sup>, a Redundancy Handbook and a Guide to Retirement
- "Personal Finance Handbook" both as a printed book and as an e-book<sup>46</sup> (**EE**)
- Money management guide for new parents titled "Baby Steps: a 3 stage plan for expectant parents to manage your money"<sup>47</sup> (**IE**)
- Consumer guide regarding private pensions (**RO-Pensions**); Consumer guides on pensions and consumer credit (**BE Ministries**), on financial complaints and on investments in financial products (**BE FSMA**).
- "Investor's guide" and, already planned, "Financial services customer's guide" and "Open pension fund participant's handbook" (**PL**)

---

2010 CSA's National campaign "The reality of insurance" with the purpose of explaining the features of numerous insurance products with an emphasis on life insurance

2010-2011 National campaign "What is to be done in case of an accident – CSA-ISC in cooperation with the Association for the Promotion of Insurance, Road Traffic Police and Radio Europa FM

2010-2011 CSA supported a campaign initiated by Professional associations and industry participants "Social responsibility campaign" which promoted the insurance concept and targeted the increase of trust in insurance companies (among the activities carried out, there have been some humanitarian actions such as the restoration of schools and kindergartens in the countryside that were highly damaged by floods, helping children in few placement centers, reforestation, fund raisers for similar activities.

<sup>45</sup> Distributed through the Royal College of Midwives to every new parent.

<sup>46</sup> Can be downloaded for free at <http://itunes.apple.com/gb/app/finantsaabits/id431247008?mt=8>

<sup>47</sup> Distributed through maternity hospitals to expectant mothers at their 12 week check up.

- Leaflets/ Brochures / Booklets **(AT, DE, ES, FR, HU, PL, PT, RO)**, including:
  - Some on specific products/themes **(HU, PT, RO CSA-ISC<sup>48</sup>)**
  - One on how investors may recognize dubious providers of financial services and statistics on consumer complaints to BaFin in the insurance sector **(DE)**
  - One for blind people in Braille writing **(HU)** and some specific for immigrants **(ES)**
  - Some that are distributed to libraries, secondary schools, colleges and financial markets institutions **(PL)**
- Newsletters **(IE, IS)**, including an E-Newsletter **(EE, MT)** and news alerts via RSS feed **(IE)**
- Specific articles, among which, the development of on-line feature articles on key external websites in view of promoting on-line information/specific consumer issues **(EE, IE)**, articles for newspapers on financial markets and products **(IS)** or articles that cover financial issues in a free program magazine<sup>49</sup> **(HU)**
- Other publications/paper or digital materials **(HU, MT, RO)**, such as:
  - Complaints statistics **(MT)**/consumer risk outlook report and alerts **(HU)**
  - Manual comparative tables on products **(HU)**
  - DVD **(EE, MT)**
  - Various guides such as "Top 10 finance hints for young adults", "A Consumer's Guide to Investments in Financial Products", "Teaching your Children How to Save and Spend", "Understanding your insurance. Make it your policy." and a DVD which contains video clips with information on financial products and services for those people who have no access to the web or do not know how to read **(MT)**
  - CD **(RO)**

---

<sup>48</sup> 2008: informative Flyer "Who is paying" distributed at national level by Road Traffic Police directly to persons in a position to take advantage of compensations from FPVS (Street Victims Protection Fund); 2009: informative flyer "Constat amiable, guide for good behaviour in case of damages to your car" distributed at national level by insurance companies and Road Traffic Police; 2010: informative flyer "You are a driver. It can happen to you too"

<sup>49</sup> The articles were published in "Pesti Est" magazine and can also be found on the HFSA's website in pdf format.

#### 4.2.1.6 Training and other events

Contributing Members name a wide range of activities under **Training and other events**, such as:

- *Seminars/classes/lectures/conferences/workshops* (**CZ, EE, ES, FI, HU, LT, MT, PL, PT, SE, RO**), among those some specific for:
    - Students (**EE, LT, MT, PT**), Students-universities (**HU**), in Universities (**RO**) or for Educationalists/teachers (**CZ, EE, PL**)
    - Senior citizens (**CZ, MT**)
    - Both professionals and non-professional financial market participants (**EE, PL**)
    - Magistrates (**FR, PT**)
    - Journalists (**PL**)
    - Municipal and district consumer ombudsmen (**PL**)
    - Workers of consumer associations (**ES**)
  - Training/workplace programs (**HU, IE, PT, SE, UK**), including:
    - Program “train the trainers”<sup>50</sup> or similar type programs (**EE, HU, NL, PT**)
    - For competent entities in the field of consumer protection (**PT**)
    - Workplace training programme “Money Skills for Life”<sup>51</sup> (**IE**) and a similar programme in the **UK**<sup>52</sup>
    - Programmes aimed at increasing awareness about pensions (**NL**)
    - Train and support teachers and other financial educators (**SE**)
- EIOPA Members** also contribute to the development of *School programmes and other training materials*, covering:
- School programmes/*curricula* (**CZ, EE, HU, IE, LU, MT, SE**), some targeted for specific groups of students (**IE**<sup>53</sup>, **LU**<sup>54</sup>)

---

<sup>50</sup> Corresponding to another tender with the purpose of financial education promoted by the HFSA, this project was aimed at 300 secondary school teachers that were trained on financial matters.

<sup>51</sup> Lunchtime talks to employees in their work place (aiming at improving their financial skills in key areas and including delivery of a free guide on consumers' personal finance).

<sup>52</sup> In the UK, workplace seminars include a presentation and a printed guide delivered by volunteers from the financial services industry to provide employees with information about managing their money in their place of work.

<sup>53</sup> “Get smart with your money” for Transition Year students (aged 15-16) and LCA Social Education students (aged 17-18).

- Literature and training materials for schools and adult education (**EE, SE, UK**)

- Resources and training for other target groups (**EE, UK**)

- Pilot programme in 30 schools where the subject of financial education will be introduced (**ES**)

- **regional “My Money Day” trainings for both students and their teachers (EE)**

Moreover, **one Member (LU)** is involved with the preparation of school programs for university students.

**Another Member (LT)** also prepared articles for printed educational material.

Finally, **one Member (IT)** refers that it is also considering using recent materials as a tool for teaching purposes.

- *Information sessions* as well as *visits* to the supervisory authority' facilities (**PT**).
- *Other Financial education tools and events* (with Members' participation, support or other involvement)

**In HU**, the HFSA finances a special civil consumer protection network, which operates advice offices in 8 rural cities.

**In PT**, **academic prizes** are granted (through protocols entered into between the supervisory authority and some universities as to foster academic production) and an **exhibition** on the “History of Insurance – From Foundations to Modern Years” was used within the context of targeted financial education projects.

#### **4.2.2 Initiatives achieved by the Members on their own-initiative vs. through cooperation**

While **some Members (MT)** mostly refer to initiatives carried out on their own initiative, **others (DK, EE, HU, IE, IT, LT, NL, PL, PT, RO CSA-ISC, UK)** (also) underline that part of their activities is achieved by cooperation with other entities.

**In EE**, the regulator cooperates with the Ministry of Finance, Ministry of Education, Ministry of Social Affairs, schools, teachers' associations, school leaders organizations, youth organizations, NGO-s, Banking Association, Nasdaq OMX Tallinn, Central Bank and many others.

**In HU**, the regulator cooperates with the Financial Awareness Foundation and the Competition Authority.

**In IE**, external bodies were involved in the design of some of the programs, while others are developed in-house. In particular, the program “Money Skills for Life” draws on the expertise of a working group joining

---

<sup>54</sup> University students.

the financial services industry, financial services professional training bodies and other agencies (e.g., the Pensions Board).

**In IT**, an agreement was recently signed between supervisory authorities in the scope of cooperation on financial education activities and there are already ongoing projects such as the adoption of a common website.

**In LT**, the initiatives by cooperation are mainly with consumer organizations and the media.

**In the NL**, the supervisory authority participates in the CentiQ, a platform joining around 40 different partners created by the Ministry of Finance<sup>55</sup>.

**In PT**, apart from the planned initiatives to be implemented through cooperation with the other financial services supervisory authorities under the recent project of a National Plan on Financial Education, the regulator has been cooperating with consumers associations/organizations as well as schools, universities, training and professional groups.

**In RO**, part of CSA-ISC's activities are achieved by co-operation with Professional associations in the insurance field and also public authorities (such as Ministry of Administration and Interior, Romanian Road Traffic Police etc.)

**In DK**, most initiatives draw on the expertise of working groups joining financial services industry and consumers associations/organizations.

**In the UK**, although most materials have been produced by the supervisory authority and, more recently, by the Money Advice Service, some are produced in a partner's branding, or jointly branded, and funded by the FSA or the Money Advice Service. The UK also underlines that all initiatives have involved cooperation with partners, for instance, in advising on content, but, more importantly, at the distribution level.

## **Conclusions**

### *National target groups, tools and programs regarding financial literacy/education initiatives*

- Apart from initiatives aimed at the general public, Members' activities in this area have been **focusing on specific target groups**.
- As far as national tools and programs are concerned, there is **a wide variety of tools used by Members**, the most common being the Internet/website. In addition, from the initiatives covered by this Report, a

---

<sup>55</sup> The action plan of CentiQ included programs such as: (i) "Finances in order", with the purpose of providing consumers with an overview of (existing) facilities, aids and information, and enabling them to make use of these to put their finances in better order and to make sound financial decisions appropriate to their particular financial situation, (ii) "The habits of youth last a lifetime", aimed at young people aged 6-18 with the objective of contributing to learning more about financial matters and how to deal with money and (iii) "Concern for the future", whose goal is to make consumers aware of the need to think and act in lifetime terms, and to inure consumers against financial risks.

**trend can be noted towards more accessibility of/to the tools and more appealing content.**

- It is also possible to conclude that, due to the nature and scope of the interventions, there are not only **experiences from pilot projects, but also** real **assessments** being made on an **on-going basis**, in view of identifying, e.g. the need to update, revise or redevelop the programs in place.
- Furthermore, it is worth noting that there are not only **a large number of programs in place**, but also a significant **amount of planned projects**, revealing the issue of financial education and literacy is gaining importance in the scope of EIOPA Members' activities.
- Some **national experiences**, either **carried out by Members on their own initiative or through cooperation**, may be mentioned as a reference of **successful projects** in this context.

## 5. Evaluation and measurement of success

### 5.1 National processes for evaluation of financial education programmes

Members<sup>56</sup> are at different stages of development regarding the processes they use to evaluate their financial education programmes.

#### 5.1.1 Combination of quantitative and qualitative evaluation processes

**IE, NL and the UK** use a combination of quantitative and qualitative evaluation processes.

**In IE**, the NCA sets pre-defined objectives for each of its programmes and measures them during and post project. The NCA uses different evaluation processes depending on the length of the programme; the access it has to the audience and what it wishes to learn from the evaluation e.g. some require a qualitative approach as they need to be more discursive.

Its evaluation of its pilot workplace training programme, called *'Money skills for life...'*, illustrates its use of different evaluation processes. It uses a combination of quantitative processes (printed surveys) and qualitative (focus groups and telephone interviews) to obtain feedback from the presenters, employers and employees.

**In NL**, quantitative and qualitative research is used to obtain consumer feedback.

**In the UK**, the Money Advice Service evaluates the impact of its products and services using a quantitative evaluation methodology that assesses the true effectiveness of each intervention, compared with the status quo. These impact evaluations use a randomised control trial (RCT) approach, with intervention and control groups, quantitative surveys pre and post the intervention and the random allocation of participants to either the intervention or the control groups. This evaluation methodology has been reviewed and validated by experts in the field of randomised control trials. The impact evaluations measure the 'hard' and 'soft' actions taken by people. 'Hard' actions are actual changes in behaviour, for example creating a budget or opening a savings account, while 'soft' actions are actions such as 'thinking about', 'researching', 'looking into' and 'discussing' a financial matter.

At the end of the fieldwork for the quantitative impact evaluations, it conducts qualitative research, such as depth interviews, to understand the reasons for the impacts measured and to improve the programme for future delivery. It evaluates customer satisfaction with each of its service channels through quantitative surveys, supported by qualitative research.

The evaluations are undertaken by an independent evaluation team.

---

<sup>56</sup> In the case of UK & DK, the competent bodies are not EIOPA members.



### 5.1.2 Quantitative evaluation processes

Other members use quantitative evaluation processes: **CZ, EE, DK, PL and RO**.

**CZ** evaluates the seminars it runs to prepare teachers for teaching financial education in its high schools through the responses to the questionnaires the teachers complete at the end of the seminar.

**In DK**, the Money and Pension Panel has used an online survey to evaluate the success of a campaign aiming to teach youngsters more about the costs of lending.

**In PL**, the Polish FSA evaluates the training seminars it organises under the CEDUR brand through the responses it receives to the questionnaires attached to the training materials.

**In RO (CSSPP)**, the Private Pension System Supervisory Commission has used an online survey to evaluate the success of its campaign to encourage young people to choose their private pension rather than be randomly allocated by the system. **For RO (CSA-ISC)**, a direct result of sustained financial education activities is the increase of the life insurance segment and optional insurance.

### 5.1.3 Qualitative evaluation processes

Other members use qualitative evaluation processes: **DK, HU, PT and SE**.

**DK** has used focus groups to obtain consumer feedback on how understandable the website information of the panel is. In addition, the website information has been reviewed according to focus group suggestions.

**In HU**, the HFSA has used focus groups to obtain consumer feedback on how understandable its leaflets were and any changes it should make to them. As a result of this the language used in the leaflets was made easier to understand and more tables, graphics and comparisons were included.

The HFSA also plans to conduct research into the usability of its consumer protection website to identify how it could be made more consumer-friendly.

**In PT**, the ISP has traditionally been seeing participants' interest in its face-to-face activities and considers the feedback it receives from participants and co-operating entities. Nevertheless, the approach has changed under the new National Plan on Financial Education, which foresees a broad set of objectives and tools (indicators and methodologies) governing the measurement of the Plan and its initiatives.

**SE** measures the attitudes of teachers to financial literacy and their willingness to use the tools it provides in their teaching.

#### 5.1.4 Collection of administrative information

Some members use administrative information to evaluate their programmes: **DK, FI, FR, PL and PT**.

**In DK, EE, FI and FR**, the Members measure the number of visits to their websites. **In DK**, visits received by the Money and Pension Panel website are measured. In EE, visits to regulator's financial education website and its sub-sites are regularly monitored. **In FI**, the FIN-FSA measures the number of visits to the FIN-FSA website. **In FR**, the ACP measures the number of visits to the AMF-ACP Joint Committee website.

**The ACP in FR** and the **BaFin in DE** also measure the number of calls received by the AMF-ACP Joint Committee telephone helpline and the BaFin's consumer helpline respectively.

**In PL**, the Polish FSA evaluates the training seminars it organises under the CEDUR brand by the number of people interested in participating and the numbers who attend them in subsequent years.

**In PT**, the ISP evaluates its website through the very detailed analytics it collects on the use of the specific sections, including its dedicated consumer section. It also collects statistics on requests for information or clarification and monitors the complaints it receives.

#### 5.1.5 Developing evaluation processes

Some Members are in the process of developing their evaluation processes: **ES, FI, IT, PL and PT**.

**ES** is developing its processes for evaluating its 4-year financial education plan (2008-2012). It will conduct these evaluations from 2011-2012.

**IT** is currently deciding the evaluation processes to use.

**In PL**, the Polish FSA plans to use the results from the survey it conducted as part of the OECD INFE financial literacy measurement pilot (see section 5.2) to develop a benchmark and framework for evaluation that it and other stakeholders in PL will use when evaluating their programmes. This evaluation framework may also be used for supporting the development of the National Strategy for Financial Education in PL in the future.

**In PT**, their project to execute a National Plan on Financial Education includes developing a comprehensive and systematic methodology to evaluate the Plan's implementation and overall success as well as the individual initiatives.

#### 5.1.6 No formal evaluation processes or no evaluation processes

Other Members do not use formal evaluation processes or do not have evaluation processes: **IS, LT and MT**.

**In LT**, the ISC does not have formal evaluation processes for its educational programmes but receives some indications of their outcome through the increase in the number of complaints and disputes it receives.

**IS** does not currently have evaluation processes but the FME believes that the success of financial literacy can be measured through a financial literacy survey, such as the one currently being piloted by 12 member countries of the INFE (see section 5.2).

**MT** has not yet established criteria or benchmarks to measure the success of its financial education programmes.

Please note that two other members, **DK and LU**, who have financial education programmes, did not have information immediately to hand on measurement of success.

## 5.2 Financial literacy measurement

The Members<sup>57</sup> in **IS**<sup>58</sup>, **NL, PL and the UK**<sup>59</sup> have measured the financial literacy of a representative sample of their adult populations on a national basis.

**CZ, EE, DE, HU, IE, NO, PL and the UK, have taken part in the OECD INFE financial literacy measurement pilot.** This involved them asking during the second half of 2010 and early 2011 a nationally representative sample of 1,000 or more adults (aged 18+) in their country the questions in the core financial literacy questionnaire developed by the INFE expert subgroup on financial literacy measurement. All the countries, apart from **NO**, used either face-to-face or telephone interviewing. **NO** ran the questionnaire as an online survey.

## 5.3 OECD evaluation process and comparison with national processes for evaluation

The OECD INFE's Guide to Evaluating Financial Education Programmes<sup>60</sup> defines an evaluation as the process of gathering information that will help determine if a programme is making a difference. The right evaluation programme helps determine a programme's value, impact and effectiveness and take appropriate action. For the best results in evaluating a financial education programme, the evaluation should be planned at the same time as the programme is developed.

The OECD guide indicates that the questions asked will depend on the type of information needed to meet the purpose of the evaluation, that is whether evaluating the impact or looking at improving the programme for future delivery or evaluating both. It describes in detail the kinds of questions that might be asked. These include:

- Did it achieve what was expected?
- Why did some things work and other things fail?

---

<sup>57</sup> N.B. In the case of **UK & DK**, the competent bodies are not EIOPA members.

<sup>58</sup> In 2009 a private institution, the Institute for Financial Literacy at Reykjavik University, measured and published in 2009 a report on financial literacy in Iceland.

<sup>59</sup> FSA Levels of Financial Capability in the UK: Results of a Baseline Survey 2006  
<http://www.fsa.gov.uk/pubs/consumer-research/crpr47.pdf>

<sup>60</sup> INFE Guide to Evaluating Financial Education Programmes (November 2010):  
<http://www.oecd.org/dataoecd/3/47/47220527.pdf>

- What difference has the project made? – How did it affect the behaviour, attitudes, knowledge and skills of the target audience, community, participants, project providers or others? And why?
- How could the project run differently?

The guide explains the principles of a good evaluation:

- Plan your evaluation
- Consider other cultural perspectives
- Think about the cost
- Make sure your evaluation is fair, reflective and, preferably, independent
- Choose the right evaluation method
- Put you evaluation into place
- Communicate your results appropriately; and
- Report the evaluation, detailing the methodology and any limitations of the findings and threats to their validity.

It also details how to plan, implement, report and use the findings of an evaluation and suggests various methods that can be used to carry out an evaluation. These include focus groups; key informant interviews; assessment information, e.g. an examination; observations; surveys; administrative information and diaries. More detailed guidance on evaluating financial education programmes are given in the INFE's Detailed Guide to Evaluating Financial Literacy Programmes<sup>61</sup>.

The responses to the questionnaire (Annex I) did not give enough information to fully assess how the national evaluation processes compare to those recommended by the OECD guide.

## **Conclusions**

### *Evaluation and measurement of success*

- Members are at **different stages of development** with regards to the processes they use to evaluate their financial education programmes.
- There is not enough information to fully assess how the national evaluation processes compare to those recommended by the OECD Guide to Evaluating Financial Education Programmes.

<sup>61</sup> INFE Detailed Guide to Evaluating Financial Literacy Programmes: <http://www.financial-education.org/dataoecd/3/49/47220488.pdf>

## 6. Conclusion and suggestions for follow-up exercise

The results of this stock-taking exercise clearly show a diverse range of initiatives by EIOPA Members in the field of financial literacy and education.

In order to better review and co-ordinate such initiatives in the future, EIOPA proposes the following follow-up actions:

- EIOPA will be creating in due course a “Consumer Area” on its website. As part of this initiative, EIOPA will include weblinks to all relevant national financial education websites.
- EIOPA will look to further deepening co-operation with the European Commission and OECD regarding financial literacy and education, including attendance at relevant expert group meetings, conferences etc.
- EIOPA will look to extending this initial stock-taking exercise to a more comprehensive exercise to be carried out by the three European Supervisory Authorities (ESMA, EBA and EIOPA) under the auspices of the Joint Committee of the ESAs. The issue of financial literacy and education cuts across financial sectors and the same requirement to review and co-ordinate national initiatives exists in the empowering legislation of all three ESAs.

## **Annex I: Questionnaire circulated amongst EIOPA Members and Observers to carry out stock-taking exercise**

<b>No</b>	<b>Question</b>
1.	Are there any formal objectives, national strategy or any high level principles regarding financial education in your country? Please describe the content.
2.	Who are the main actors involved? – Regulators, central bank, government, firms, civil society, educational institutions. How do they cooperate?
3.	(i) Does your Authority have a legal obligation/competence for financial education? (ii) If so, what are the intended outcomes of the legal obligation? (iii) If <u>not</u> , does your authority have its own financial education mission?
4.	Who does your authority co-operate with regarding its financial education tasks?
5.	Is your authority a member of any international financial education organisation?
6.	What are the target groups of your financial education work? <sup>62</sup>
7.	What tools do you use to fulfil your financial education tasks (delivery channels <sup>63</sup> , school programs, workplace programs, etc.)?
8.	What are the specific financial education programs of your own and initiatives achieved by cooperation?
9.	What do you measure and how do you measure success? <sup>64</sup> What approaches have you found to be successful?
10.	Would you support the idea of creating a “Consumer Corner” on the public area of EIOPA’s website?

---

<sup>62</sup> Target groups for example: general public, youth, students, workplace, teachers, media, women, vulnerable, etc.

<sup>63</sup> Delivery channels: webpage, minisite, TV, radio, advertisement, publication, trainings, educational manuals, brochures, etc.

<sup>64</sup> INFE Guide to Evaluating Financial Education Programmes (November 2010): <http://www.oecd.org/dataoecd/3/47/47220527.pdf>