Financial Inclusion and Financial Education in China: Experiences from Consumer Protection

ZHANG Shaohua
People’s Bank of China
Involving in Global Actions

- **G20 FIEG (Financial Inclusion Experts Group)**
  Since Dec 2009

- **GPFI (Financial Partnership for Financial Inclusion)**
  Since Dec 2010

- **AFI (Alliance for Financial Inclusion)**
  19 Sep 2011  PBOC as 81th member

- **AFI CEMC (Consumer Empowerment and Market Conduct) member**
  Since Oct 2011
- MFO (Microfinance Opportunities) training program
  Mid May 2012

- INFE (International Network on Financial Education)
  in June 2012  PBOC Research Bureau as member

- Contact with WB, IFC, CGAP

- Visit CFPB in USA  in July 2012
Domestic Trend

CFDFE (China Foundation for Development of Financial Education)
Non-Profit
Built in Jun 1992

- Poverty alleviation
- Training program, seminar, workshops
- Financial education in rural areas, financial literacy for publics
- JinHui program
New Specific Consumer Protection Departments

- Nov 2011
  Insurance Consumer Protection Bureau in CIRC
- Dec 2011
  Investors Protection Bureau in CSRC
- July 2012
  Financial Consumer Rights Protection Bureau in PBOC
  Banking Consumer Protection Bureau in CBRC
Experiences and Pilots of Consumer Protection and education: Shaanxi and Guangdong as Examples
To fulfill the **functions** of Central Bank, PBOC has done lots works in the field of consumer protection and financial education.

**Born Obligations**

Since 2010, China has been greatly Promoting financial consumer protection.

As the end of August 2012, 1063 branches and sub-branches of PBOC have piloted financial consumer protection programs in 28 provinces.
As one of 9 branches of the PBOC, Xi’an Branch made meaningful exploration in financial consumer protection.
理论研究与实践探索

Financial Consumer Protection: Theory and Practice

中国人民银行西安分行课题组 著

顾问：张健华

课题组长：郭新明
课题副组长：王晓红
课题成员：孙春明、杨纲、等

二零一年十二月
Practices and explorations

- Designed the financial consumer protection database to do real-time handling of complaints system between PBOC and FIs

- Built a complaint database to collect complaint received by financial institutions; Drew up the typical cases reporting and sharing system among financial institutions
  
  As the end of 2011, 4000 complaint cases
- Set up a regular meeting mechanism for financial consumer protection participated by court, consumers’ association, financial institutions and colleges

- Established a trinity network to address the complaints participated by regulatory agencies, financial institutions, and other consumer protection organizations

- Set up financial consumer protection centers and hot lines

- Set up financial compliant stations
Based on OECD Basic Principles for Corporate Governance, Drafted the Basic Principles of Financial Consumer Protection for Deposit-taking Financial Institutions in Shaanxi

Promoted financial consumer education: Organized financial institutions to launch Publicity Campaign Week for Financial Consumer Protection in 2011 and 2012; unfolded Financial Knowledge Month In Sep 2011
Guangdong:
On March 2012, Harmony Finance, Happy Guangdong Publicity Campaign Month

400,000 Slogans
over 100,000 people
40 Workshops
Outlook

- Draft new legislation or amend old laws

  1993 Law of PRC on Protection of Consumer Right and Interests

- Clarify national strategy targets and indicators for domestic financial education

- Make full use of the “joint conference mechanism” of the PBOC, CBRC, CSRC, and CIRC coordination and cooperation

- Improve the statistics, analysis and monitor of the typical cases in complaint database to guide financial institutions to improve financial service
- Intensify financial education especially on youth, women, poor people, etc. to enhance the vulnerable group’s financial capability
- Reinforce financial practitioner training to improve complaints handling in financial institutions
- International dialogue
Thank you!

E-mail: zhangshaohua@pbc.gov.cn
Office: 00861066195862
32 Chengfang Street,
Beijing, China, 100800