SUMMARY RECORD OF THE OECD-BANK OF ITALY SYMPOSIUM ON FINANCIAL LITERACY: IMPROVING FINANCIAL EDUCATION EFFICIENCY

9 JUNE 2010, ROME

Introduction and background

The OECD-Bank of Italy symposium on Improving Financial Education Efficiency was held in Rome on 9th June 2010. It was co-organised by the Organisation for Economic Co-operation and Development (OECD) and the Bank of Italy, with the sponsorship of the Russian/World Bank/OECD Trust fund, and held at the Bank of Italy headquarters, Palazzo Koch.

The symposium followed particularly fruitful meetings with members of the International Network on Financial Education (INFE) Expert Subgroups on the 7th June 2010 and the Fifth Meeting of INFE network members on the 8th June 2010. It provided an excellent opportunity to disseminate information about the progress made by INFE and hear about other work being undertaken that could inform policy makers throughout the world.

An international audience of high-level governmental officials and experts from public bodies and regulatory and supervisory authorities attended the symposium along with other senior decision makers and academics from OECD countries and non-OECD members' economies. Around 150 participants coming from 43 OECD countries and non-member economies (including 4 Enhanced Engagement countries: Brazil, India, Indonesia and South Africa) attended the workshop – see attached list of participants.

The symposium took on a different format from previous OECD Financial Literacy conferences, with a particular emphasis on highlighting relevant research papers and encouraging dialogue between academics and policy makers. The mix of speakers and discussants highlights this change in focus, with professors and other academics from universities around the world presenting alongside senior policy makers.

The day was split into three sessions, focusing on the following topics:

- Monitoring Financial Literacy Progress: Assessing Gaps and Needs and Evaluating Impacts
- Behavioural Economics and Financial Education
- The Importance of Financial Education in the Case of Pension DC Schemes

The first session reflected the intention that this symposium should provide the opportunity for guidance and discussion amongst academics and policy makers. The presenters were drawn from national authorities and the OECD, whilst discussants included a senior Ministry of Finance representative and an eminent Professor. Presentations were particularly targeted at authorities in the process of creating a national financial literacy strategy.

The session addressed the fact that it is now widely recognised that measurement and evaluation are the cornerstones of any solid financial education strategy. There is an urgent need for financial literacy measurement to inform policy makers about levels of financial literacy within their population, just as there is a pressing need to assess financial education initiatives in order to improve overall quality and effectiveness. Speakers stressed the extent to which academic thinking could lead the way in finding workable approaches to these two requirements as well as highlighting their own policy developments and the work of the OECD and INFE members.

The overall emphasis of the symposium was to identify ways of making financial education more efficient. It has been suggested that one way of identifying efficiency measures is to look to the two related disciplines of economic psychology and behavioural economics in order to understand the limitations of the current financial education programmes and indicate potential improvements. These disciplines provide insights into the psychological drivers of typical behaviours, and the barriers that people face when trying to modify their own behaviour. They also offer suggestions for combining traditional pedagogical approaches to financial education with other methods of behaviour change, such as choice architecture (presenting choices in such a way that people tend to choose appropriately) and nudges (gentle incentives to act). It is for these reasons that the second session of the symposium was devoted to understanding how to apply the academic findings of behavioural economics and economic psychology to policy decisions around financial education and consumer protection. The session included presentations from two universities and a lively discussion amongst academics and policy makers.

The symposium was also designed to focus on current issues of concern. The final session was therefore devoted to discussion around the value of financial education for retirement planning, an extremely important topic given that more and more countries are adopting DC pension schemes. Speakers and discussants in this session were drawn from Government, academia and the OECD. They recognized that many individuals are not sufficiently financially literate to manage their own savings for retirement. They discussed both the role and limitations of financial education, and the benefits of creating a policy initiative that combines education with complementary tools from behavioural economics and economic psychology. They also noted the need for continued regulation to provide adequate consumer protection.

The proceedings of the symposium will be issued in the course of 2010.

Opening remarks

The symposium was opened by three eminent speakers. Initially, *Ambassador Richard Boucher,* OECD Deputy Secretary-General and *Professor Vittorio Grilli*, Head of the Treasury Department, Italian Ministry of Economy and Finance welcomed participants and introduced the underlying issues that indicate so vividly the need for this high-level symposium. A special address was then received from *Dr Ignazio Visco*, Deputy Director General, Member of the Governing Board of the Bank of Italy. Dr Visco focused on the important topic of financial education in the aftermath of the financial crisis.

Ambassador Richard Boucher spoke of the importance of financial education, as evidenced via recent statements made by US President Obama and Mr Pranab Mukherjee, Indian Minister of Finance, as well as the creation of a new Consumer Financial Education Body in the UK and a financial education strategy in the Czech Republic. He also reminded the audience of the need for financial education programmes that are fully inclusive, giving consumers from both modest and wealthy backgrounds the ability and confidence 'to access and use the financial services they need for their own unique circumstances'. Finally he highlighted two important intended benefits of the symposium – first to bring financial education to the forefront, and secondly to identify relevant, realistic and innovative policy solutions to the challenges faced.

Professor Vittorio Grilli summarised four important reasons to promote financial literacy: protecting consumers against fraud, encouraging consumer planning for their own future wellbeing, supporting the market and reducing systemic risk. He went on to say that currently consumers need protection from products that they don't understand, whether or not they are provided in good faith, and explained that this was partly because communications were too legalistic and not widely understood.

In his opening remarks, *Dr Ignazio Visco* stressed that the recent financial crisis had revealed how many households and investors failed to understand the implications of the decisions they made. He emphasised that whilst incentives and sanctions are necessary to regulate financial intermediaries it is also essential to raise awareness of the risks inherent in financial assets and liabilities and improve the financial decision making of individuals. He also commented that improved financial literacy is a key component of competitive financial markets and that 'informed and financially literate consumers are essential to the effectiveness of price and quality competition'.

Dr Visco explained that in addition to improving the efficiency of financial markets, financial education can also help to provide greater consumer protection. He argued that financially literate consumers are better able to identify abuse and fraud, and consequently less likely to believe that they have been cheated when this is not the case.

After discussing the merits of improved levels of financial literacy and international evidence of the need to provide financial education, Dr Visco went on to describe the Bank of Italy's financial education initiatives. These initiatives include a dedicated section of the Bank of Italy's website designed to provide clear explanations of financial matters, and an experimental programme evaluating the efficacy of financial education in schools.

Session I – Monitoring Financial Literacy Progress: Assessing Gaps and Needs and Evaluating Impacts

The first session of the symposium focused on measuring levels of financial literacy and evaluating financial education initiatives. The session was opened and chaired by *Mr Vittorio Conti, Commissioner, Authority for the Italian Secuties Market* (CONSOB).

Ms Atkinson, Policy Analyst, OECD reminded participants of the importance of measurement and evaluation. She noted that financial literacy measurement can help policy makers assess the overall levels of financial literacy, gaps in provision and the needs of particular groups within the population, whilst evaluation provides evidence of success and indicates aspects of financial education programmes that need additional work. She discussed the important achievements of the OECD INFE Expert Subgroups in relation to measurement and evaluation, including the development of a set of questions designed to create an international measure of financial literacy, and guides to aid programme designers and policy makers seeking to evaluate financial literacy initiatives. She also highlighted the recommendations of the INFE Expert Subgroup on Financial Education Programme Evaluation, which include seeing evaluation as an essential component of programme design, and choosing an evaluation design that is appropriate to the programme.

Mr Piero Cipollone National Institute for the Evaluation of Education and Training System Efficiency, Bank of Italy gave a fascinating account of the financial education initiative that Dr Visco had touched upon in his opening session; and initiative that aims to increase levels of financial knowledge amongst school children. The teachers who took part in the initiative were trained by experts from the Bank of Italy. This training focused on payment instruments in 2008-9 and price stability in 2009-10.

Mr Cipollone provided symposium participants with a detailed description of the evaluation of the initiative, which has been designed to provide robust data on the impact of financial education within the school curricula. He concluded with very positive news: a test distributed before and after the first financial education programme showed an increase in knowledge amongst those students who participated (relative to those who had not), suggesting that the Bank of Italy has developed an effective method of improving financial literacy.

The third speaker, *Dubis Correal, Director, Office of Financial Education, US Department of the Treasury*, described how the United States has been assessing financial education needs and gaps in provision and explained how the US approach to financial education prioritises evidence based policy.

Ms Correal introduced the 2009 survey of financial capability in the US, which covered four components of financial capability: making ends meet; planning ahead; managing financial products; and financial knowledge and decision making. She presented some headline results from this survey, including the findings that a third of Americans had experienced a large, unexpected drop in income in the previous 12 months and that fewer than half had set aside an emergency or rainy day fund (49 per cent). The survey also showed a worrying mismatch between how good people perceived their financial skills to be and their actual financial behaviour.

The symposium participants also heard from Ms Correal about the US National Survey of Unbanked and Underbanked Households, which was also administered in 2009. This survey showed that eight per cent of US adults were unbanked (without either a bank or credit union account) and a further 18 per cent were described as underbanked (having an account but also using alternative financial services).

Ms Correal concluded her presentation by describing the various ways in which the evidence base has been used to direct financial literacy developments in the US. These include the creation of a list of core financial competencies, which covers earning, spending, saving, borrowing and protecting and the development of a national financial literacy and education strategy.

After the three presentations, the speakers took part in an open discussion, led by *Mr Dusan Hradil, Financial Market Section, Ministry of Finance of the Czech Republic*, and *Professor Umberto Filotto, Professor of Banking Management and Retail Banking, Rome University "Tor Vergata" and Professor of Banking, Milan Bocconi University School of Management, SDA.*

Mr Hradil listed the wide range of data that could be used to evaluate financial education initiatives, including micro survey data and macro-level data and discussed their relative benefits with the panel. The panel felt that each type of data has advantages and disadvantages, indicating that it can be helpful to have information from a range of sources.

Professor Filotto stressed the important work of the OECD in helping to identify the level of need and the specific nature of the financial literacy problem. He noted that good measurement and evaluation will ensure that money is spent wisely and that both are essential components in the drive to make financial education work.

The symposium participants also posed some perceptive questions to the panel, with particular attention being paid to the apparently weak link between self-perception and efficacy (people being overly confident of their own abilities), and the potentially stronger link between education and financial knowledge.

Session II: Behavioural Economics and Financial Education

In the second session of the day, the speakers described findings from the fields of behavioural economics and economic psychology that can be applied in the development of financial education. The session was chaired by *Professor Hans-Helmut Kotz, Chair of the OECD Committee on Financial Markets*. He invited symposium participants to use the session as an opportunity to consider whether behavioural economics and financial literacy are in conflict given that the first seeks to explain irrational behaviour and the second to describe learning and enlightenment.

The first presentation in this session was given by *Ms Vera Rita De Mello Ferreira, Sao Paolo University, Brazil*. Ms Ferreira began by describing the development of behavioural economics and some of the key lessons that can be applied to financial education such as the recognition that people are prone to psychological biases that can impact on their decisions, making them appear to be irrational.

Ms Ferreira went on to address the question posed by Professor Kotz in his introduction. She noted that understanding the implications of economic psychology is essential when designing programmes that are intended to change behaviour, since the psychology identifies those aspects of behaviour that cannot simply be changed by providing more financial information. The symposium was told of an innovative pilot financial education project in Brazil, which is part of their National Strategy on Financial Education (ENEF). The pilot aims to educate school students about the economic psychology that underlies their financial behaviour, to enable them to recognise and change certain characteristic actions.

The second panellist was *Ms Joanne Yoong, RAND Institute US*. *Ms Yoong* presented the findings of a paper that she wrote for the OECD, which describes ways of making financial education more effective by learning from behavioural economics. She gave an animated account of the difficulties that people face when trying to make financial decisions in their own best interest, including lack of self-control, procrastination and inertia. Importantly, she also identified some strategies to employ the findings of behavioural economics within financial education programmes. These include the use of self-commitment devices to encourage people to complete the programme, and the use of peer effects through social networks and face-to-face interactions.

Both speakers also discussed the possibility of employing psychology to encourage desirable behaviours through *decision architecture* or *nudges.* Participants were told that these popular approaches to changing behaviour can help by manipulating the supply side of particular products, but it must be remembered that they do not increase knowledge or understanding and it can be difficult to identify the desired outcomes in all instances.

This second session had three discussants, *Ms Diana Crossan, Retirement Commissioner, New Zealand, Ms Sue Lewis, Head of Savings and Investments, HM Treasury, UK* and *Professor Luigi Guiso, Professor of Economics, European University Institute; Einaudi Institute for Economics and Finance* (EIEF).

Ms Crossan began by encouraging participants to read the papers, which she felt reiterated the messages that most people know to be true whilst also conveying important guidance. She also talked about ongoing research in New Zealand designed to create a better understanding of the link between financial knowledge and behaviour, which she recognises is an important gap in our own knowledge.

Ms Lewis described a policy intervention in the UK that was designed to incorporate the work of behavioural economists. This is a service that provides consumers with access to personalised financial guidance, and has been shown to lead consumers to take appropriate action. She also posed the question of how the findings from behavioural economics could be harnessed to get people to recognise that they could benefit from guidance on financial matters.

Both *Ms Crossan* and *Ms Lewis* urged caution when systematically applying nudges to financial decision making.

Professor Guiso provided an alternative point of view from those put forward by the two panellists. He noted that 1) people do tend to behave rationally, and that 2) they do benefit from having additional knowledge. To illustrate the first point, he pointed out that choosing not to attend a course that was unappealing, or refusing to spend a large amount of time doing something unpleasant were both rational decisions that could easily be explained by standard economic theory. For the second point, he provided evidence that financially literate people behaved differently during the collapse of Lehman Brothers, and that their financial knowledge led to better outcomes.

Professor Guiso also commented that he was sceptical that people could be 'debiased' to change their behaviour simply by telling them about their biases.

A lively question and answer session followed, during which time *Ms Yoong* noted that people already use tools to help them simplify difficult decisions (such as mental short cuts, or *heuristics*), and so there is no reason to assume that they could not be taught better ones. *Ms Ferreira* explained that the approach being taken in Brazil is not to try to remove the natural psychological tendencies, but to make people aware of them so that they could factor them into their decision making. Participants of the symposium were mixed in their reaction to the presentations. Some felt that economics was adequate for explaining behaviour and developing financial education initiatives, and that, conversely, behavioural economics did not give enough information about the differences in behaviour across socio-demographics or ways to address the needs of vulnerable groups. Reservations about the nudge approach were stated, particularly in relation to the ethics of engineering people's decisions and the risk of creating unintended consequences.

Session III: Importance of Financial Education in the Case of Pension DC Schemes

The final session of the day considered both the importance and the limitations of increasing awareness and providing financial education to support consumers with defined contribution pension schemes. It was chaired by *Mr André Laboul, Head of the OECD Financial Affairs Division and Chair of the International Network on Financial Education*.

Mr Laboul began by providing symposium participants with an overview of the OECD work on pensions and financial regulation, including the Working Party on Private Pensions. He then introduced the two speakers, *Mr Ambrogio Rinaldi of COVIP, Italy,* and *Professor Annamaria Lusardi of Dartmouth College, United States.*

Mr Rinaldi discussed the implementation of national auto-enrolment into pension funds in 2007, including the role of financial literacy and pension awareness. He told the audience that Italy implemented auto-enrolment to improve low membership rates of pension funds, whilst providing opt-out clauses for employees so that they still had free choice. He noted that the process has improved membership, but not as well as anticipated, and not to the extent seen in other countries with similar schemes. Mr Rinaldi offered several explanations for this, including, notably that there was actually no true auto-enrolment, because paperwork was required. He also produced the results of a survey designed to explore the reasons behind workers' pension choices. This survey included standard financial knowledge questions. It showed that pension fund members had slightly higher levels of financial knowledge than non-members. However, he also indicated that preliminary econometric analyses suggest that the decision to adhere to the pension fund is more strongly associated with pension awareness than financial literacy.

Professor Lusardi began her talk by helping to crystallise the main reason for focusing on financial education as part of the change towards DC pensions. She commented that, in the past, a CEO with a master's degree in Finance would be responsible for making decisions about pension funds, whereas nowadays ordinary people have to make their own choices. She then presented a novel project designed to communicate pension information in a non technical way to ordinary consumers. This project provided staff with a seven step guide to completing their supplementary retirement account application and reminded them of the relatively short amount of time that they would need to devote to doing so (around 15 to 30 minutes). She presented data indicating that new staff receiving the planning aid were far more likely to enrol than non-recipients. In her concluding comments, she reminded the symposium participants that financial education and automatic enrolment should not be seen as substitutes for one another but as complements. She also stressed that whilst good financial education was costly, the cost of not providing education would be much greater.

There were three discussants in this session, *Mr Ross Jones, Deputy Chair of the Australian Prudential Regulation Authority, Mr Brendan Kennedy, Chief Executive of the Pensions Board, Ireland* and *Mr Roman Fusek, Director, Pension Savings Supervision Department, National Bank of Slovakia*.

Mr Jones began by describing the Australian system, where employees face compulsory enrolment into pensions. He felt that they could not be described as active consumers; it is apparently common for people to hold several pension funds because they don't take the time to combine them when they move employers, and that it is also quite usual for retirees to require a financial planner to help them through the process.

In this discussion, *Mr Jones* also mentioned the importance of financial education in relation to pensions and retirement planning. He observed that it is difficult to promote pension education amongst young people, who quite rationally recognise that there will be many variations in the rules and outcomes of pension funds in the years ahead, and that any information that they gather will therefore be of little use. In contrast, he felt it was vital to focus financial education on women, and older women in particular. He noted that women have longer life expectancies than men and so often end up living alone; sometimes making their first, independent financial decisions in old age.

The second discussant, *Mr Kennedy*, reflected on a question posed to *Mr Jones*, about annuities. The audience heard that in Ireland, as in Australia, virtually nobody chooses to buy an annuity. He felt that there were many reasons for this, including the illusion of wealth created by receiving a lump-sum and a distrust of insurance companies, as well as the fact that annuities are less profitable to companies and so there is a bias against selling them.

Mr Kennedy highlighted the important distinction between financial awareness – which he described as knowing what to worry about – and financial education, which can provide consumers with knowledge and information about the issues that concern them. He identified himself as a proponent for a consumer's right to financial education, but wanted to make clear that he believes there are limits to what it can achieve. For example, he explained that a consumer might be financially aware and recognise that they need to resolve three issues in relation to DC pensions: 1) how much to contribute, 2) how to invest before retirement and 3) how to invest after retirement. Each of these issues is complex, and he urged caution in expecting financial education to enable consumers find their own solutions. He felt that it was better to focus on education that helped individuals to identify good quality guidance rather than to try to provide all of the skills necessary to make the decision alone.

The final discussant, *Mr Fusek* explained how a lack of financial education and low levels of financial literacy impact on the role of regulators when they design investment rules for pension companies. He also provided interesting insights into the experiences of Slovakia in terms of encouraging retirement saving. A multifaceted campaign to promote pension savings resulted in a larger than anticipated uptake of pensions in Slovakia. Research has shown that individuals were encouraged to invest in a pension because they saw it as their own property and something that could be inherited. They often opted for risky funds because they wanted the biggest potential yield, but they didn't monitor their account despite the possibility of checking it on a daily basis.

Mr Laboul thanked the speakers and discussants, and summarised some of the key points that should be taken from the session. In particular he noted that the issue of annuities is very important and should not be overlooked in the discussion of DC pensions, and that people need help and support in exiting their lump sum from their pension. He then opened the floor to comments and questions, during which time participants considered the issues and challenges of encouraging the poor to save, and the problem of a real or perceived lack of consumer protection and redress in some countries. Comments were also made that Governments should not avoid the responsibility of trying to identify basic provision that is right for the majority of people, but that any scheme that involves automatic enrolment must make it clear to consumers that they have a right to opt-out.

Closing remarks

Concluding the symposium, *Ms Anna Maria Tarantola, Deputy Director of the Bank of Italy* and *Ambassador Richard Boucher, OECD Deputy Secretary-General* both thanked participants and speakers for their contributions throughout the day. Ms Tarantola noted that it was an honour to host Mr Boucher and the symposium at the Bank of Italy, and in turn, Mr Boucher expressed sincere gratitude for the Bank of Italy's hospitality.

Ms Tarantola stressed the importance of events such as this symposium in identifying the nature of the problem that has to be tackled and the actions necessary. She summarised two practical strategies that emerged from the day: provide clear, understandable information on pension schemes, and deliver financial education in school so that young people become aware of the likelihood of rainy days. She also shared news of a Memorandum of Understanding that was signed that day between the Italian supervisory authorities, agreeing to mutual cooperation in the field of financial education, and the development of a common web portal as a clearinghouse for existing information and materials.

Mr Boucher highlighted key take-home messages from the day's proceedings. These included the need to strengthen consumer financial empowerment and protection, and the necessity of involving all stakeholders in the process; the need for an international financial literacy benchmark; the importance of long-term vision to ensure that financial education makes a difference – this includes a commitment to evaluation and benchmarking and recognition of the lessons from other disciplines, such as behavioural economics. He stressed the importance of education programmes that improve attitudes towards planning for retirement and pension knowledge. He also noted that the OECD and its INFE have already made great inroads, and went on to describe some of the projects that the OECD and its INFE will undertake in the near future to address outstanding issues, including the development of recommendations for national financial education, communication and media strategies and a far reaching project on financial inclusion and financial consumer protection.

EVENT EVALUATION

a. Feedback from participants

Feedback questionnaires were included in the participants' symposium pack in order to gauge satisfaction with the event overall and the relevance of each session. 64 attendees completed the questionnaires (representing a rate of response of 44%), coming mainly from government or regulatory bodies (48%) educational/academic institutions (14%) and the corporate sector (13%).

The feedback has been overwhelmingly positive, with a total of 88% of participants rating the symposium as *very good* or *excellent*. In addition, 82% felt that the overall content was very good or excellent and 92% felt that the organisation and facilities were either very good or excellent.

The symposium is very likely to lead to action within institutions and countries. Almost everyone felt that the symposium contributed something to the promotion of financial literacy in their institution (93%) and that it changed their perspective in some way (93%). Furthermore, 98% expect to use information from the symposium in their work.

Each of the three sessions within the symposium was seen as relevant by participants. In all, 86% felt that the relevance of the first session was either very good or excellent. The second session was similarly relevant for 84% of respondents and the third session for 67%. Overall, 97% felt that the information obtained through the symposium was of use to national policymakers.

The speakers were seen to be of a high quality, with 91% of respondents rating them as very good or excellent. 65% felt that the quality of discussions was very good or excellent, and 75% appreciated the structure and format of the sessions. The written responses suggest that some participants would have appreciated more time for audience participation.

Respondents were asked for their feedback in relation to the OECD documents provided during the symposium. Only a minority of respondents provided feedback on this aspect, ranging from 18 respondents commenting on the OECD (2006): Policy Brief, to 36 responding to the OECD (2005): Improving Financial Literacy: analysis of Issues and Policies. The proportions of respondents who felt that the documents were either very good or excellent are as follows:

OECD (2005): Improving Financial Literacy: Analysis of Issues and Policies	**83%**
OECD (2006): Policy Brief	**83%**
OECD (2008): Improving Financial Education and Awareness on Insurance and Private Pensions	**68%**
OECD (2009) Strategic Response to the Financial and Economic Crisis - and the Road to recovery: Update on the OECD's Strategic Response to the Financial and Economic Crisis	**83%**
OECD (2009) Financial Literacy and Consumer Protection: Overlooked Aspects of the Crisis	**81%**
OECD Proceedings (2008), Volume I and II: OECD-US Treasury International symposium on Financial Education, 7-8 May 2008, Washington D.C.	**72%**
OECD International Financial Education Newsletter (September 2008)	**63%**
OECD/INFE Project on Financial Education (OECD brochure)	**77%**

The free text comments from participants indicate that they appreciated the opportunity to build and strengthen their networks and liked the mixture of theoretical and practical presentations. For forthcoming events they suggested a focus on particular target groups, sessions providing practical guidance on evaluation, discussion about training the trainers and hearing from the recipients of financial education. The role of financial intermediaries was also seen as a topic that could be covered in the future, and some participants would like to know more about behaviour change and the behavioural or psychological aspects of financial literacy. Alternative formats for future symposiums were also suggested, with parallel discussion sessions and more opportunity for audience questions featuring in several of the comments received. It was also requested that future sessions continue to draw panellists from outside the INFE network to increase the range of opinions being shared.

b. General assessment

The participants' feedback shows that this was a successful, relevant and beneficial symposium. It promoted OECD's leadership role in nurturing global and regional awareness on the importance of financial literacy and financial education. It also brought fresh ideas to the table, including a frank discussion on the application of learning from behavioural economics and economic psychology. The event further strengthened co-operation between the OECD and its INFE, and provided ample opportunity to influence policy makers around the world.

OECD-BANK OF ITALY SYMPOSIUM ON FINANCIAL LITERACY: IMPROVING FINANCIAL EDUCATION EFFICIENCY

9 June 2010, Rome

Final Agenda

8:30	**Registration**
WELCOME AND OPENING REMARKS	
9:00 – 9:30	• Ambassador Richard Boucher, OECD Deputy Secretary-General • Prof. Vittorio Grilli, Head of the Treasury Department, Italian Ministry of Economy and Finance
9:30 – 10:00	**Special Address: Dr. Ignazio Visco, Deputy Director General, Member of the Governing Board of the Bank of Italy:** ***Financial education in the aftermath of the financial crisis***
10:00 – 10:30	**Coffee Break**
PANEL I:	**MONITORING FINANCIAL LITERACY PROGRESS : ASSESSING GAPS AND NEEDS AND EVALUATING IMPACTS**
10:30 – 12:00	**Chair: Mr Vittorio Conti, Commissioner, Authority for the Italian Securities Market (CONSOB)**

Panellists:

- Ms. Adele Atkinson, OECD expert, Financial Affairs Division
- Mr. Piero Cipollone and Mr. Maurizio Trifilidis, National Institute for the evaluation on the education and training system efficiency, Bank of Italy
- Ms. Dubis Correal, Director, Office of Financial Education, Department of the US Treasury

Discussants:

- Mr. Dusan Hradil, Financial Market Section, Ministry of Finance of the Czech Republic
- Prof. Umberto Filotto, Professor of Banking Management and Retail Banking , Rome University “Tor Vergata” and Professor of Banking, Milan Bocconi University School of Management, SDA

This session will focus on:

- Importance of appropriately assessing needs and gaps
- Importance of measuring efficiency
- Challenges
- Use of the results
- Development of International Methodology

12:00 - 13.15	**LUNCH hosted by the Bank of Italy**
PANEL II:	**BEHAVIOURAL ECONOMICS AND FINANCIAL EDUCATION**

13:15 - 15:15

Chair: Prof. Hans-Helmut Kotz, Chair of the OECD Committee on Financial Markets

Panellists:

- Ms. Vera Rita De Mello Ferreira and Iran Siqueira Lima, prof. at Sao Paolo University
- Ms. Joanne Yoong, RAND Institute, OECD consultant

Discussants:

- Ms. Diana Crossan , Retirement Commissioner, New Zealand
- Ms. Sue Lewis, Head of Savings and Investments, HM Treasury, UK
- Prof. Luigi Guiso, Professor of Economics, European University Institute; Einaudi Institute for Economics and Finance (EIEF)

This session will focus on:

- Main learning from behavioural economics and psychological biaises
- Limits of financial education
- Development of appropriate regulatory and market framework
- Impact of behavioural economics on the design of more efficient financial education programmes

15:15 - 15.45	**Coffee Break**
PANEL III:	**IMPORTANCE OF FINANCIAL EDUCATION IN THE CASE OF PENSION DC SCHEMES**

15:45 - 17:30

Chair: Mr. André Laboul, Head of the OECD Financial Affairs Division, Chair of the International Network on Financial Education

Panellists:

- Mr. Ambrogio Rinaldi, Italian Pension Funds Supervisory Commission, COVIP and Chair of the OECD Working Party on Private Pensions
- Ms. Annamaria Lusardi, Prof. Dartmouth University, United States

Discussants:

- Mr. Ross Jones, Deputy Chair, Australian Prudential Regulation Authority
- Mr. Brendan Kennedy, Chief Executive of the Pensions Board, Ireland
- Mr. Roman Fusek, Director, Pension Savings Supervision Department, National Bank of Slovakia

This session will focus on:

- Development of DC private pensions
- Importance of pension awareness and education
- Challenges and limits of financial education in the pension sector
- Cases of annuities
- Applying behavioural economics to the pension fields
- Design of efficient default options
- OECD Good Practices on Financial Education for Saving for Retirement

CONCLUDING REMARKS

17:30 - 18:00	• Mr. Fabrizio Saccomanni, Director General, Bank of Italy • Ambassador Richard Boucher, OECD Deputy Secretary-General
18:00 - 19:30	**Cocktail Reception offered by the OECD at Palazzo Koch**

Participants list for OECD-Central Bank of Italy
International Symposium on Financial Education:
Improving Financial Education Efficiency
Rome, Italy

9 June 2010

Armenia/Arménie	**Mr. Sevak MIKAYELYAN** *Analyst* *Central Bank of Armenia*
	Dr. Amalya SARIBEKYAN *Member of the Board* *Central Bank of the Republic of Armenia*
Australia/Australie	**Mr. Stephen GLENFIELD** *General Manager, Specialised Institutions Division* *Australian Prudential Regulation Authority*
	Ms. Merrie HENNESSY *Advisor, Policy Development* *Australian Prudential Regulation Authority*
	Mr. Ross JONES *Deputy Chairman* *Australian Prudential Regulation Authority*
	Ms. Delia RICKARD *Australian Securities and Investment Commission (ASIC)*
Austria/Autriche	**Ms. Sabine SCHLÖGL** *Abteilung für Öffentlichkeitsarbeit* *Oesterreichische Nationalbank*
Brazil/Brésil	**Mr. Gustavo BAPTISTA** *Coordenador-Geral de Revisão de Benefícios* *Departamento de Benefícios* *Secretaria Nacional de Renda de Cidadania – SENARC*
	Ms. Vera Rita DE MELLO FERREIRA *Representative of Brazil* *International Association for Research in Economic Psychology*
	Mr. José LINALDO GOMES DE AGUIAR *Secretário de Relações Institucionais / Secretariat for Institutional Relations* *Banco do Brasil*

Brazil/Brésil	**Ms. Lúcia Maria MODESTO PEREIRA** *Secretária Nacional de Renda de Cidadania* *Ministério do Desenvolvimento Social e Combate à Fome*
	Ms. Patrícia MONTEIRO *General-Coordinator for Economic Issues of the Economic Department* *Financial Affairs Division* *National Secretariat for Pension Funds / Ministry of Social Security*
	Ms. Bruna ROMÃO BORGES *Special Advisor for International Affairs* *National Secretariat for Pension Funds* *Ministry of Social Security*
Canada	**Mme Pascale DUGRÉ-SASSEVILLE** *Chief, Consumer Issues* *Department of Finance Canada*
	Mr. Marc LEBRUN *Director General* *Canada Education Savings Program* *Human Resources and Social Development Canada (HRSDC)*
	Mr. Michel LEDUC *Vice-President* *Public & Corporate Affairs* *Sun Life Financial*
	Mr. Gary RABBIOR *President* *Canadian Foundation for Economic Education*
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	Ms. Monica APARICIO *Director* *FOGAFIN*
	Ms. Diana MEJIA *Director of Institutional Communications* *Banco de la República / Central Bank of Colombia*
	Ms. Carolina ROJAS OSPINA *Senior Legal Advisor* *FOGAFIN*

Congo

Mr. Emmanuel TSHIBANGU NTITE
Vice President
Solidarité pour un monde meilleur

Czech Republic/République Tchèque

Mr. Dusan HRADIL
Head, Consumer Protection Unit
Analyses and Development of Financial Market
Czech Ministry of Finance

Ms. Helena KOLMANOVA
Director
Consumer Protection Department
Czech National Bank

Mrs. Eva ZAMRAZILOVA
Member of Board and Chief Executive Director
Czech National Bank

Denmark/Danemark

Mr. Morten Brønnum ANDERSEN
Senior Consultant
Danish Insurance Association

Ms. Dianne Louise MOGENSEN
Legal Consultant, LL.M.
Life Insurance & Pension
Danish Insurance Association

Ms. Mette SCHARLING PILGAARD
Special Advisor
Danish Financial Supervisory Authority

Egypt/Égypte

Ms. Dalia ISSA
Technical Assistant, Executive Director Office
Egyptian Banking Institute
Central Bank of Egypt

Ms. Ola NOUR
The Egyptian Banking Institute

Estonia/Estonie

Ms. Leonore RIITSALU
Consumer Education Project Manager
Estonian Financial Supervision Authority

Finland/Finlande

Ms. Kristiina SIIKALA
Manager and Deputy Head of Communications
Federation of Finnish Financial Services

France

Ms. Chantal FAZEKAS
Directeur
Finances & Pédagogie

M. Patrick HAAS
Directeur adjoint de la Communication
Banque de France

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	Mr. Dietrich LINGENTHAL *Head of International Financial Markets Division* *Bundesministerium der Finanzen (BMF)*
Greece/Grèce	**Ms. Ioanna PANTOU** *Banking Transparency Division* *Bank of Greece*
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	Mrs. Judit SZOLNOKINE PAP *Head of Financial Literacy Centre* *National Bank of Hungary*
India/Inde	**Mr. Gyan BHUSHAN** *Chief General Manager* *Ministry of Finance* *Pension Fund Regulatory and Development Authority*
	Dr. K.C. CHAKRABARTY *Deputy Governor* *Reserve Bank of India*
	Mr. Girraj Prasad GARG *Chief General Manager* *Securities and Exchange Board of India (SEBI)*
	Mr. Kaza SUDHAKAR *Chief General Manager* *Customer Service Department* *Reserve Bank of India*
Indonesia/Indonésie	**Mr. Halim ALAMSYAH** *Deputy Governor, Bank Indonesia*
	Mr. Anto PRABOWO *Executive Researcher* *Banking Research and Regulation Department* *Bank Indonesia*

Indonesia/Indonésie	**Mr. Saut SIMANJUNTAK** *Banking Researcher* *Indonesian Banking Architecture Team* *Bank Indonesia*
	Mr. Pungky WIBOWO *Executive Researcher* *Bank Indonesia*
Ireland/Irlande	**Mr. Brendan KENNEDY** *Chief Executive* *The Pensions Board*
	Ms. Fiona STRAIN *Head of Education and Advocacy Unit* *Consumer Information Department* *National Consumer Agency*
Israel/Israël	**Mr. Doron SCHLEFFER**
Italy/Italie	**Ms. Annamaria AMBROSELLI** *International Affairs Department* *ISVAP - Istituto per la Vigilanza sulle Assicurazioni Private e di Interesse Collettivo*
	Ms. Oneda ANDONI *Bank of Albania*
	Ms. Emanuela ANGORI *Head of Stakeholder Engagement* *Corporate Sustainability* *Unicredit S.p.A.*
	Mr. Alessandro AZZI *Federcasse Association for Banche di Credito Cooperativo*
	Ms. Tiziana BERNARDI *UniCredit – Lifelong Learning Center*
	Ms. Giovanna BOGGIO ROBUTTI *Financial Education Department* *PattiChiari Consortium - ABI*
	Ms. Liliana BORRELLO *Department of Education*
	Ms. Michele CALZOLARI *Italian Association for Financial Intermediaries*
	Mr. Enrico CASTROVILLI *President* *Association on European Economic Education AEEE Italia*
	Mr. Filippo CAVAZZUTI *Head of Pattichiari Comunicazione*

Italy/Italie

Mr. Marco CECCHINI
Responsabile della Comunicazione
ISVAP - SUPERVISORY INSTITUTE FOR PRIVATE INSURANCE

Ms. Annarosa CICALA
Department of Education

Mr. Piero CIPOLLONE
PGB Member
INVALSI - Istituto Nazionale per la Valutazione del Sistema dell'Istruzione

Mr. Vittorio CONTI
CONSOB

Mr. Elio CONTI NIBALI
Italian Association for Financial Salesmen (ANASF)

Mr. Frederico CORNELLI
Federcasse Association for Banche di Credito Cooperativo

Mr. Giuseppe COSENTINO
Department of Education

Ms. Miriam CRESTA
General Director
Junior Achievement Italia

Mr. Roberto CUSMAI
Italian Association for banche popolari

Mr. Valerio DE MOLLI
The European House Ambrosetti

Mr. Corrado FAISSOLA
Italian Banking Association

Mr. Daniele FANO
Head of research unit and special project
Pioneer Global Asset Management

Professor Umberto FILOTTO
Professor of Banking Management and Retail Banking
Rome University "Tor Vergata" and Professor of Banking, Milan Bocconi University School of Management

Ms. Elsa FORNERO
Scientific Co-ordinator of the Centre for Research on Pensions and Welfare Policies, University of Turin

Mr. Vincenzo GALIMI
Direttore comunicazione
Assogestioni

Italy/Italie

Mr. Sergio GATTI
Federcasse Association for Banche di Credito Cooperativo

Ms. Maria GERMANTANI
Senator

Mr. Francesco GIAVAZZI
Bocconi University

Mr. Vittorio GRILLI
General Director Treasury Department
Ministry of Economy and Finance

Ms. Thaira GROM
Corporate Sustainability - Stakeholder Engagement
Unicredit S.p.A.

Professor Luigi GUISO
Professor of Economics
European University Institute

Mr. Corrado IANNUCCI
Settore Sviluppo Capacità Professionali

Mr. Stefano ISELLA
UniCredit

Ms. Ludovica Alessandra LARDERA
UniCredit – Corporate Sustainability

Mr. Paolo LEGRENZI
Full Professor of cognitive psychology at University of Venice
Director of the School for Advanced Studies in Venice Foundation

Mr. Roberto LEONI
Department of Education

Mr. Mauro LORENZONI
Director External Relations
Commissione Nazionale per le Società e la Borsa (CONSOB)

Ms. Lucia MANETTI
Full Professor of Social Psychology
University of Rome "La Sapienza"

Ms. Marta MELE
Class CNBS
Milano Finanza

Mr. Alessandro MESSINA
Responsabile, Settore Crediti Retail
Associazione Bancaria Italiana (ABI)

Italy/Italie

Mr. Alberto MONTI
Associate Professor of Comparative Law
Department of Law
Bocconi University

Ms. Chiara MONTICONE
Researcher
Centre for Research on Pensions and Welfare Policies

Mr. Vincenzo NASTASI
Chief Executive
Svi Finance SpA (Invitalia Group)

Mr. Gianni NICOLINI
Member of the Consumer Credit Research Center
Faculty of Economics
University of Rome "Tor Vergata"

Ms. Marina PACETTI
Department of Education

Mr. Pio PARMA
The European House Ambrosetti

Ms. Besa PRELA
Bank of Albania

Mr. Ambrogio RINALDI
COVIP-Pension Funds Supervision Commission

Ms. Emanuela RINALDI
Professor, Dipartimento di Sociologia
Università Degli Studi di Padova

Ms. Monica RIVELLI
Communication and Financial Education Department
PattiChiari Consortium - ABI

Mr. Alessandro RIVERA
Department of Treasury

Mr. Gianfrancesco RIZZUTI
Federazione ABI-ANIA

Mr. Massimo ROCCIA
Head, Economic Department
Italian Banking Association

Mr. Giovanni SABATINI
Italian Banking Association

Fabrizio SACCOMANNI
Directeur général
Banca d'Italia

Italy/Italie	**Mr. Guiseppe SCHLITZER** *Federazione ABI-ANIA*
	Ms. Simona TIRONE *Federazione ABI-ANIA*
	Mr. Maurizio TRIFILIDIS *Senior Director* *Servizio Concorrenza, normativa e affari generali* *Banca d'Italia*
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	Mr. Ignazio VISCO *Deputy Director General* *Banca d'Italia*
	Ms. Roberta VISIGALLI *Head of Financial Education Department* *Financial Education* *ABI - Italian Banking Association*
	Ms. Francesca ZEN *Project Manager* *SVI Finance*
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Malaysia/Malaisie	**Ms. Koid SWEE LIAN** *Director* *Consumer and Market Conduct Department* *Central Bank of Malaysia*
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People's Republic of China/République populaire de Chine	**Mr. Yingquan SONG** *Associate Professor* *Peking University* *China Institute for Educational Finance Research (CIEFR)*
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	Mr. Krzysztof KACZMAR *Director* *Fundacja Kronenberga*
	Ms. Agnieszka LUKASIAK *Programme Coordinator - Financial Education* *Leopold Kronenberg Foundation*
	Ms. Iwona MURPHY *President* *Leopold Kronenberg Foundation*

Poland/Pologne	**Mr. Michal NALEPA** *Deputy Director of Education Department* *Polish Financial Supervision Authority*
	Mr. Jozef RUSZAR *Director of Education and Publishing Department* *National Bank of Poland*
	Mr. Aleksander RYCHWALSKI *Expert, Department of Education* *Polish Financial Supervision Authority*
	Ms. Magdalena SOSNOWSKA *Project Manager in Education Division of Education and Publishing Department* *National Bank of Poland*
	Mr. Piotr ZUZANKIEWICZ *Chief Expert Education Division* *Education and Publishing Department* *National Bank of Poland*
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	Ms. Susana NARCISO *Advisor* *Banco de Portugal*
Qatar	**Mr. Hamad AL-MANNAI** *Director, Consumer Protection* *Qatar Central Bank*
Singapore/Singapour	**Ms. Annabelle GOH** *Assistant Manager* *Central Provident Fund Board*
	Mr. Chin Heng SOH *Deputy Chief Executive Officer* *Central Provision Fund Board*
Slovak Republic/République slovaque	**Ms. Julia CILLIKOVA** *Director* *Regulatory and Risk Management Methodology Department* *National Bank of Slovakia*
	Mr. Vladimir DVORACEK *Director General, Financial Market Section* *Ministry of Finance*
	Mr. Roman FUSEK *Director, Pension Savings Supervision Department* *National Bank of Slovakia*

Slovak Republic/République slovaque	**Mr. Peter MIKLOS** *Head of Consumer Protection Section* *National Bank of Slovakia*
	Ms. Denisa VRANOVA *Bank Specialist* *National Bank of Slovakia*
South Africa/Afrique du Sud	**Mr. Lyndwill CLARKE** *Manager, Consumer Education Department* *Financial Services Board of South Africa*
	Ms. Olivia DAVIDS *Head of Department, Consumer Education* *Financial Services Board of South Africa*
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	Mr. Gilbert PEFFER *Project Co-ordinator* *CIMNE*
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	Mr. Hanifi KOROGLU *Assistant Expert* *Corporate Finance Department* *Capital Markets Board of Turkey*
	Mr. Osmanali OZTURK *Expert* *Capital Markets Board of Turkey*
United Arab Emirates/Émirats Arabes Unis	**Ms. Fatima AL AWADHI** *Associate* *Strategy & Policy Planning Division* *Abu Dhabi Council for Economic Development*

United Arab Emirates/Émirats Arabes Unis	**Ms. Jennifer GREEN** *Senior Associate* *Strategy & Policy Planning Division* *Abu Dhabi Council for Economic Development*
United Kingdom/Royaume-Uni	**Mr. Paul HEWARD** *Manager* *Stewart Ivory, Finance for Sixth Formers Programme*
	Ms. Sue LEWIS *Head of Savings and Investments* *HM Treasury*
	Ms. Elaine MCCARTHY *Research and Evaluation Manager, Financial Capability* *Consumer Financial Education Body (CFEB) Ltd*
	Mr. Steve STILLWELL *Manager* *Consumer Financial Education Body (CFEB) Ltd*
	Mr. Mark TWIGG *Director* *Cicero Consulting*
United States/États-Unis	**Ms. Dubis CORREAL** *Director* *Office of Financial Education* *Department of US Treasury*
	Professor Annamaria LUSARDI *Professor* *Department of Economics* *Dartmouth College*
	Ms. Carol OVERBY *Assistant Professor of Design & Management* *School of Design Strategies* *Parsons - The New School For Design*
	Ms. Joanne YOONG *Associate Economist* *RAND Corporation*
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International Labour Organization (ILO)/Organisation internationale du travail (OIT)	**Mr. Bernd BALKENHOL** *Director, Social Finance Programme* *Enterprise & Cooperative Development* *International Labour Organization (ILO)*

International Labour Organization (ILO)/Organisation internationale du travail (OIT)	**Ms. Severine DEBOOS** *Technical Expert Social Finance Programme* *International Labour Office (ILO)*
World Bank/Banque mondiale	**Professor Robert HOLZMANN** *Director for Social Protection* *Social Protection & Labor* *World Bank*
	Ms. Florentina MULAJ *Consultant* *World Bank*
	Ms. Valeria PEROTTI *Consultant* *World Bank*
	Ms. Sue RUTLEDGE *Consultant* *World Bank*
Business and Industry Advisory Committee (BIAC)/Comité consultatif économique et industriel (BIAC)	**Mme Aida MAISANO** *Director* *ABIFormazione (ABI- Associazione Bancaria Italiana)*
Trade Union Advisory Committee (TUAC)/Commission syndicale consultative (TUAC)	**Mr. Federico SANCHEZ LLANES** *Responsable de Formacion en Prevision Social Complementaria* *UGT (Union General de Trabajadores de España)*
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	M. André LABOUL *Head of Division* *DAF/FIN*
	Mlle. Flore-Anne MESSY *Principal Administrator* *DAF/FIN*
	Mrs. Adele ATKINSON *Senior Policy Analyst, Financial Education* *DAF/FIN*
	Ms. Jennah HUXLEY *Assistant/Financial Education* *DAF/FIN*