



SHCP

“Consumer Protection and Financial Education: two sides of the same coin”

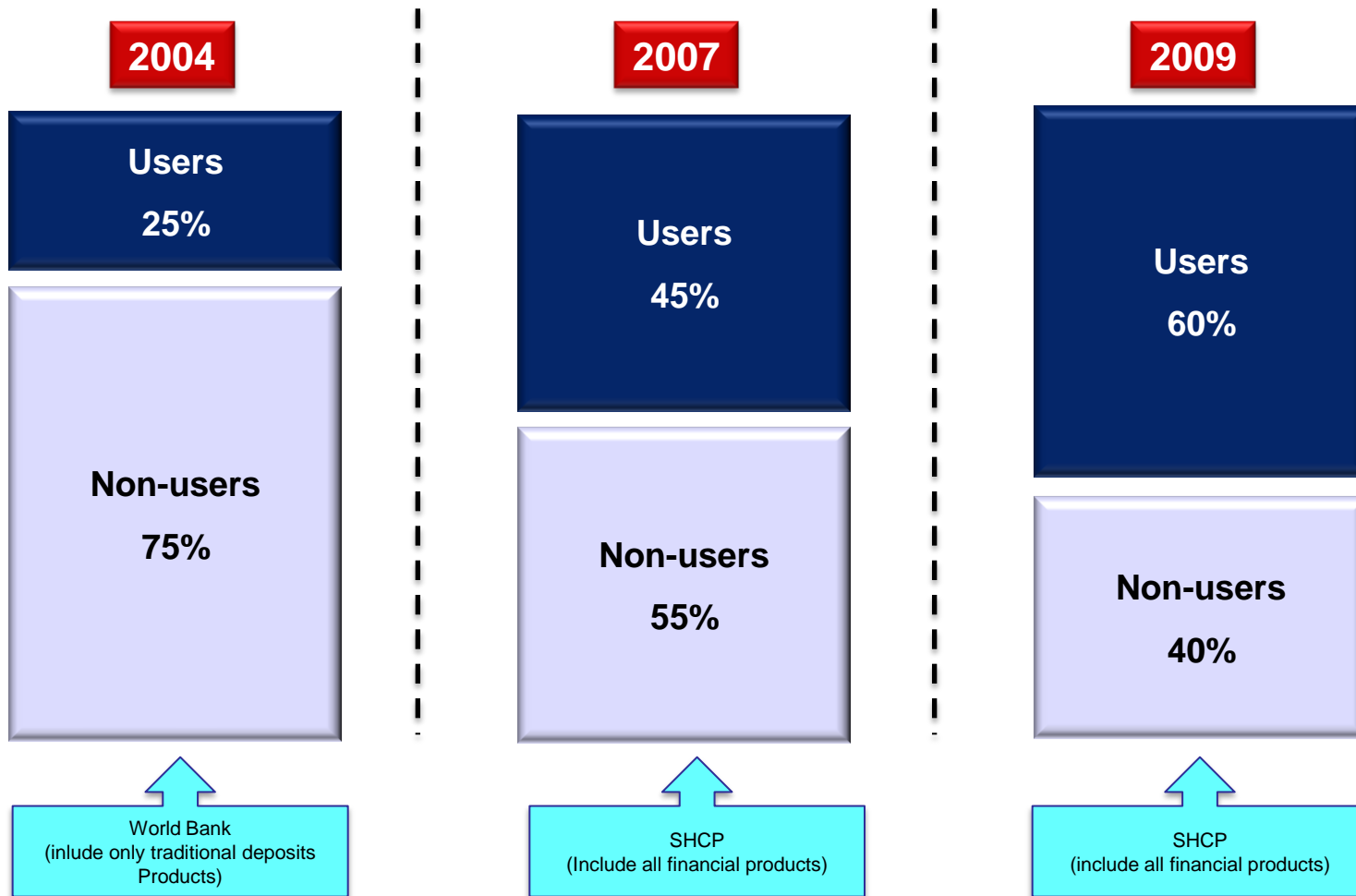
Mexico Experience

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October 2010



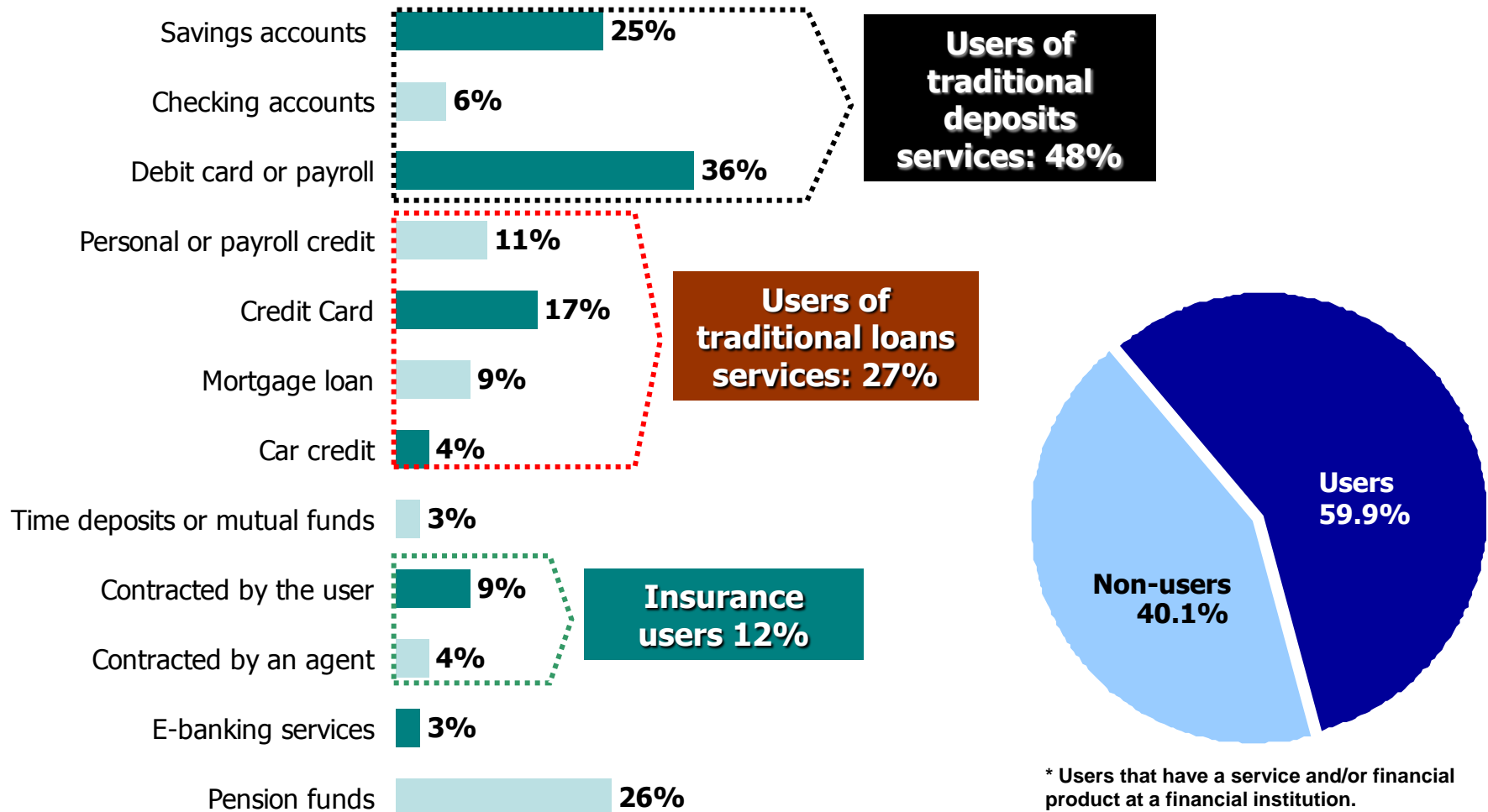
Since the last 5 years, Mexico has been involved in a financial inclusion process.



Source: *Finance for All? Policies and Pitfalls in expanding Access*, World Bank ; 2007 Financial Education Survey. Ministry of Finance, Mexico; 2009 Access to Financial Services Survey. Ministry of Finance, Mexico.



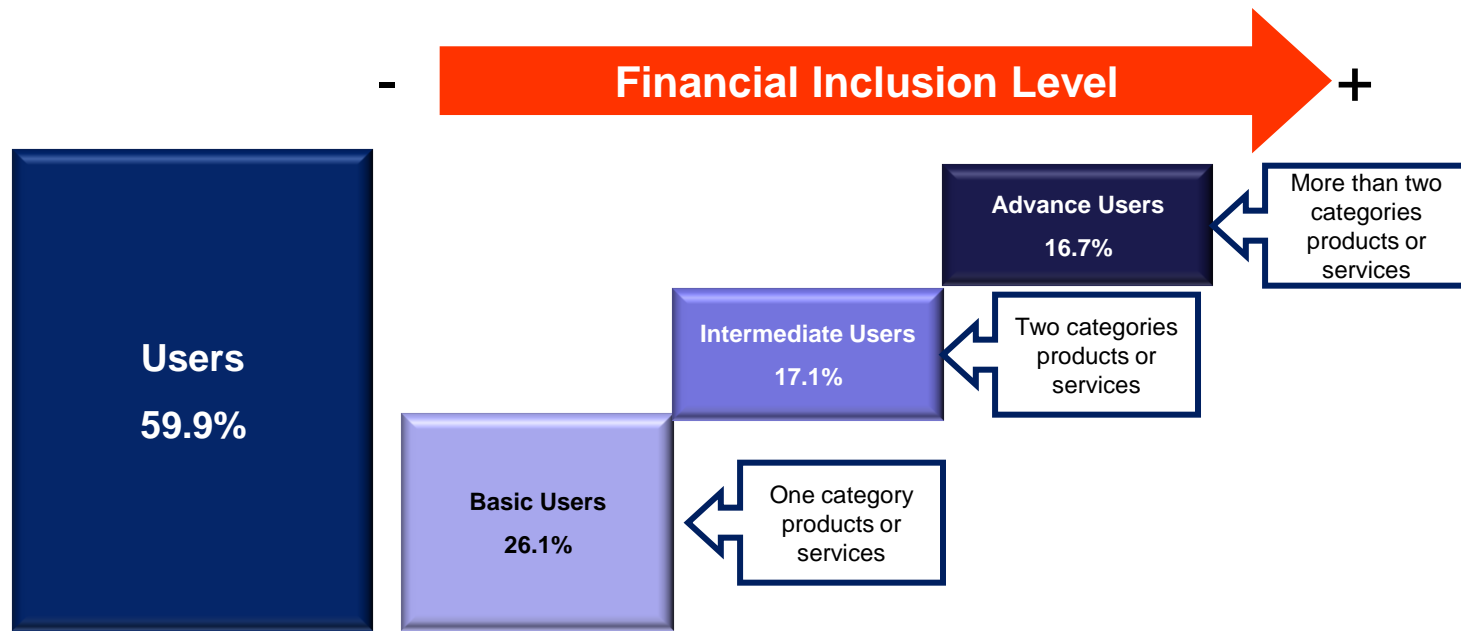
According to a survey conducted in 2009 for the Ministry of Finance, 59.9% of the population use at least one financial service.



* Users that have a service and/or financial product at a financial institution.



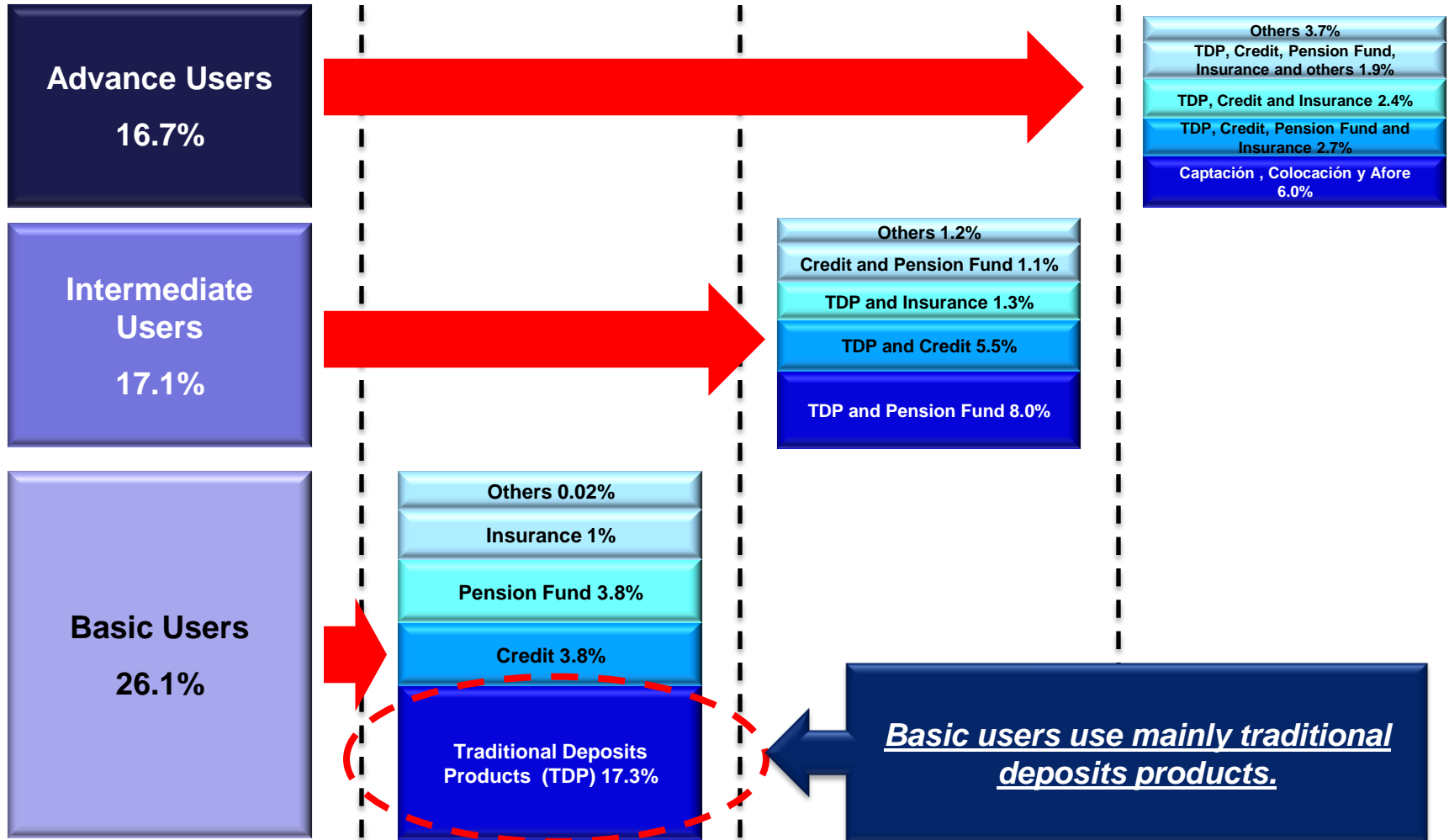
Before to implement measures on financial inclusion, it is important to understand the market conditions.



Non-users
40.1%

How can non-user population access to financial services?

The positive evolution of financial inclusion levels are explained mainly because people are saving more.





In order to keep the sound of the financial access goal, actions must be centered around the following pillars:

Transparency

Provide the tools to disclose costs and terms of financial services for an accessible and clear understanding of the users.

Consumer Protection

Recognize and preserve the rights and responsibilities of financial services users.

Financial Literacy

Develop in all population the ability to judge with relevant and reliable information in decision making for their financial well-being.



In July 2008 took place the Conference on Financial Education, Consumer Protection and Competition organized by Mexico's Ministry of Finance, the Mexican Senate and the Organisation for Economic Co-operation and Development.

The objective of the conference was to establish a high level dialogue centered on the best practices implemented at the international level in financial education, consumer protection and competition.

In this conference participated international experts speakers and a wide audience of high-level Mexican regulatory and supervisory authorities, senators, first level representatives of the financial industry, and other renowned individuals, all capable of decision taking.

This conference allowed us to establish a regulatory agenda on consumer protection and transparency as well as the design of the national financial education strategy.



**Actions
implemented**

Low-cost standardized deposit products

Disclosure Rules for Monthly Statements

Total Annual Cost for credit cards and mortgages (CAT)

Challenges

Less is more



**Actions
implemented**

Financial contracting rules

Sanctions

Minimum financial consumer rights

Challenges

Stronger Financial Consumer Protection Agency

Financial authorities are designing a Financial Education Strategy centered around 5 guidelines:

Definition of a framework to increase coverage reaching all population segments

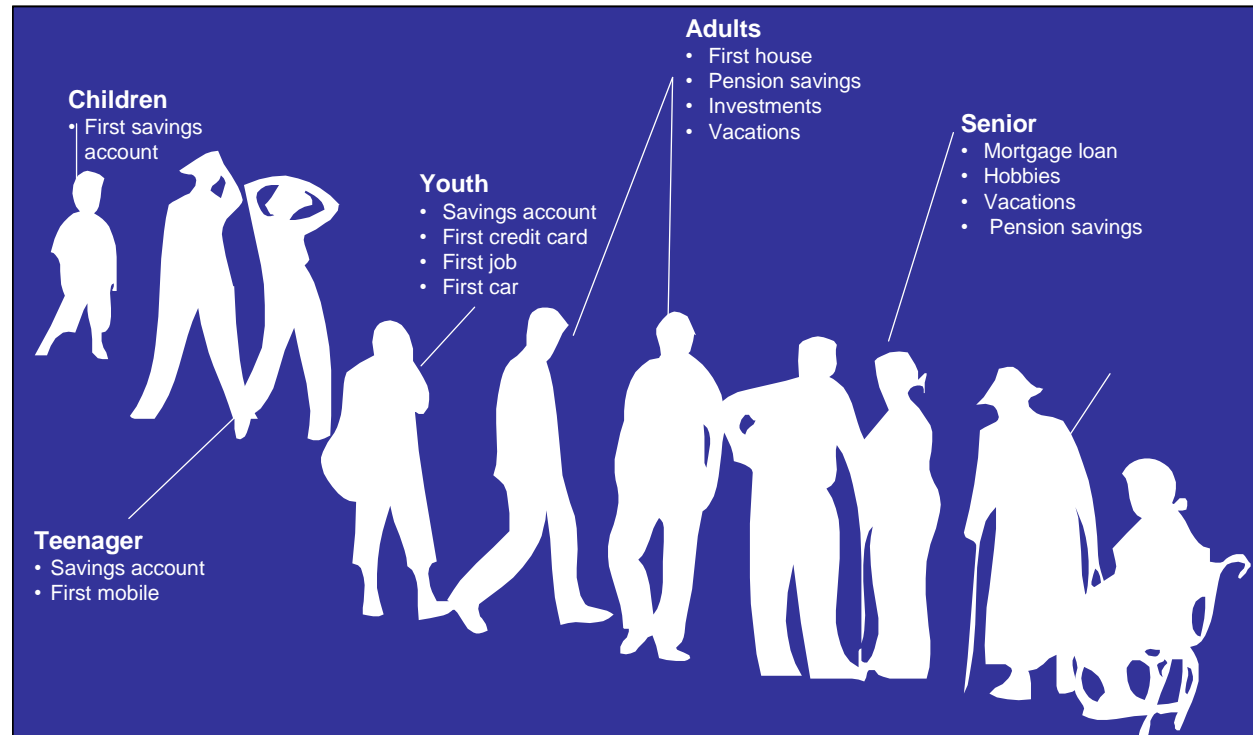
Coordination among financial supervisors, regulators, private sector and other institutions

Communication strategy
(complete media campaign for the main financial products)

Strategic alliance with Interactive Economics Museum (MIDE)

Introduce financial education material in the textbooks of the Mexican elementary schools

- Financial education is a public good.
- The strategy will have a budget and risk as the basic financial concepts.
- The strategy will attempt to change the population behavior.





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