

Speaking Points

Erich Harbrecht

Ladies and Gentlemen

Good Morning,

First, let me join Mr André Laboul in thanking Bank Indonesia and, in particular, Deputy Governor Muliaman Hadad for their co-operation with the OECD to organize this conference.

And now, let me thank Mr Laboul for his introduction. Mr Laboul emphasized the increasing importance of financial education and awareness in light of the current financial crisis.

In the short-term, we will need to focus on efficient communications and strengthening financial education to find our way out of this crisis and restore consumer confidence in financial markets and institutions.

In the longer run, by strengthening the financial literacy and skills of individuals and key stakeholders, we can expect sounder and wiser social attitudes to financial issues. Changing consumers' attitudes could help ease the effects of potential future crisis and foster the development of more resilient and competitive financial markets.

Mr. Laboul's intervention allows me to be brief, but I would like to stress that the organization of this high level conference demonstrates:

- The importance and relevance of financial education for all countries: OECD and non-OECD alike;
- The timeliness of this conference; and,
- The importance attached to strengthening the co-operation between the OECD and Indonesia on this critical issue.

As the Vice-Chair of the OECD Committee on Financial Markets, which is comprised of experts from Central Banks and Ministries of Finance, I wish to affirm my Committee's commitment to supporting actively the important work undertaken by the OECD on financial education since 2003. In fact, once again, financial education has been identified as a top-priority for the Committee on Financial Markets in 2009-2010.

Let me give you a taste of the OECD's achievements in financial education project since 2003:

- We published the first major international comparative research on financial education in OECD countries entitled: *Improving Financial Literacy and Awareness (available in the conference room)*.
- We produced a set of international standards on financial education: a *Recommendation on Principles and Good Practice for Financial Awareness and Education*;

- In 2006, the G8 financial ministers recognized the leadership role of the OECD in financial literacy and encouraged the OECD to develop further international guidelines.

Dialogue is critical for an issue like financial literacy. To encourage policymakers and financial education experts to share best practices and challenges, the OECD has organised high level conferences in India, Russia, Turkey and Washington like the one you are attending today.

We recently created the *International Network on Financial Education*, which held its second meeting yesterday in the margins of this conference. This Network brings together high-level public officials from OECD and non-OECD countries to discuss new developments, experiences and programmes related to financial education. To encourage contact between meetings and draw in other stakeholders, we created the *International Gateway for Financial Education*, accessible at www.financial-education.org.

In the coming months and years, the OECD, working with its Committee on Financial Markets, will carry out critical work to:

- Finalise Financial Education Good Practices in the area of credit, to be released by early 2009;
- Develop a methodology to evaluate the efficiency of financial education programmes- this will be of utmost importance in the light of the current events;
- Develop a methodology and international guidance to assess the financial literacy level of individuals;
- Launch a project on financial education in schools that will produce policy recommendations on best practices. This work will be particularly useful in order to identify ways to modify the financial behaviour of future generations;
- Examine the roles of financial institutions and intermediaries in financial education: an essential component clarify the social responsibilities of financial institutions in the wake of the crisis;
- Determine how to best reach the most vulnerable groups and audiences, for example, international migrants, low income populations

You will discuss many of these issues during this conference. I have no doubt as I look out at the wide range of countries and expertise represented here today that your discussions will take forward the debate on these fundamental issues and, especially, identify even more good practices.

I am particularly thrilled to moderate the session on credit tomorrow morning which promises to be both interesting and challenging.

Thank you for your attention!

I wish you all an excellent conference, and fruitful discussions both in and outside the conference room.