

Experience of Slovakia
Financial Education as Integral Part of Financial Market Consumer Rights,
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Summary of Key Points and Recommendations

Outcomes

- 1. Fast financial, demographical and social development in the past 10 years is not followed by appropriate financial education of the consumers and their ability to absorb the financial information flow.**
2. Although a large portion of population is not professionally capable in the financial area, the consumers are exposed on an almost daily basis to the need to use the services of financial institutions.
3. The nation-wide survey provided in Slovakia by the end of 2007 has shown that financial literacy level is lower than expected. This implies in the growing need for adopting measures that will lead to greater consumer protection in the provision of financial services. **The aim is to strengthen the prevention before any failure of participants in the financial market that could lead to damage to the property of an inadequately informed consumer.**

Financial Market Consumer Rights Protection – Strategic Task of Slovak Government

4. In August 2007 The Cabinet has approved Conceptual Framework of Consumer Protection in Area of Financial Services, Provision of Financial Education and Regulation of Mediatory and Advisory Activities¹
- 5. The strategy is to put equal attention both to the increase of the overall awareness of the population with regard to the financial services and to the strengthening of regulatory requirements to financial intermediaries, financial advisors and financial institutions clerks – these persons can significantly influence the decisions of consumers and therefore they can serve (if they are adequately skilled and regulated) as the mediators of financial education for general consumer public.**
6. Later this year there will be submitted to the parliament the final version of bill that will unify the conditions for financial services intermediation and financial consulting provision in the whole financial market. The bill will introduce **the permanent education and testing of those who are in the position of the first contact with the financial services consumers**, including the employees of the financial institutions.
- 7. Strategy and methodology of financial education on governmental level should be in the common competence of Ministry of Finance, Ministry of Education and central bank. Based on the governmental strategy, it will be launched the Academy of Financial Education from beginning of 2010. The aim is to promote the general financial education in the public and to serve as a nation-wide methodological and accreditation authority for financial education activities as well as for testing the professional requirements for licensed activities in the financial market.**

¹ Visit on IGFE web page:

http://www.financial-education.org/document/20/0,3343,en_39665975_39667053_40375444_1_1_1_1,00.html

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