

The RussiaPartnership
for Responsible Business Practices



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THE PRINCE OF WALES
INTERNATIONAL BUSINESS
LEADERS FORUM

Improving Financial Literacy in Russia

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*G8 Conference on Improving Financial Literacy
29-30 of November, Moscow*

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Designs and implements projects which demonstrate responsible business practices in action:

- Youth employability
- Financial literacy
- Workplace health
- Raising business standards



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Some Facts

- Only **0,5 %** of population plan their personal or family budget more than for 1 year ahead
- More than **60 %** of people in Russia don't trust banks
- More than **70 %** of people don't have any kind of insurance
- About **70%** of people don't know what to do about their future pensions
- **40 %** of population don't use bank products, people still keep about US\$80bln "under the pillow"

Source:



Sources of Risk

- Rapid growth of financial products and services, esp. credit
- Lack of information and experience of financial products
- Mistrust of financial institutions
- Risk of debt, credits default, mis-selling and fraud
- High social and economic costs if things go wrong

Risk management, not social conscience

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Objectives of Financial Literacy programmes



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- Increase awareness of financial literacy and its benefits;
- Encourage people to engage with financial information and resources and take ownership of their sustainable future;
- Help to obtain knowledge, skills and willingness to make competent financial decisions;
- Improve business effectiveness, market sustainability, fairness, confidence, and growth of economy.

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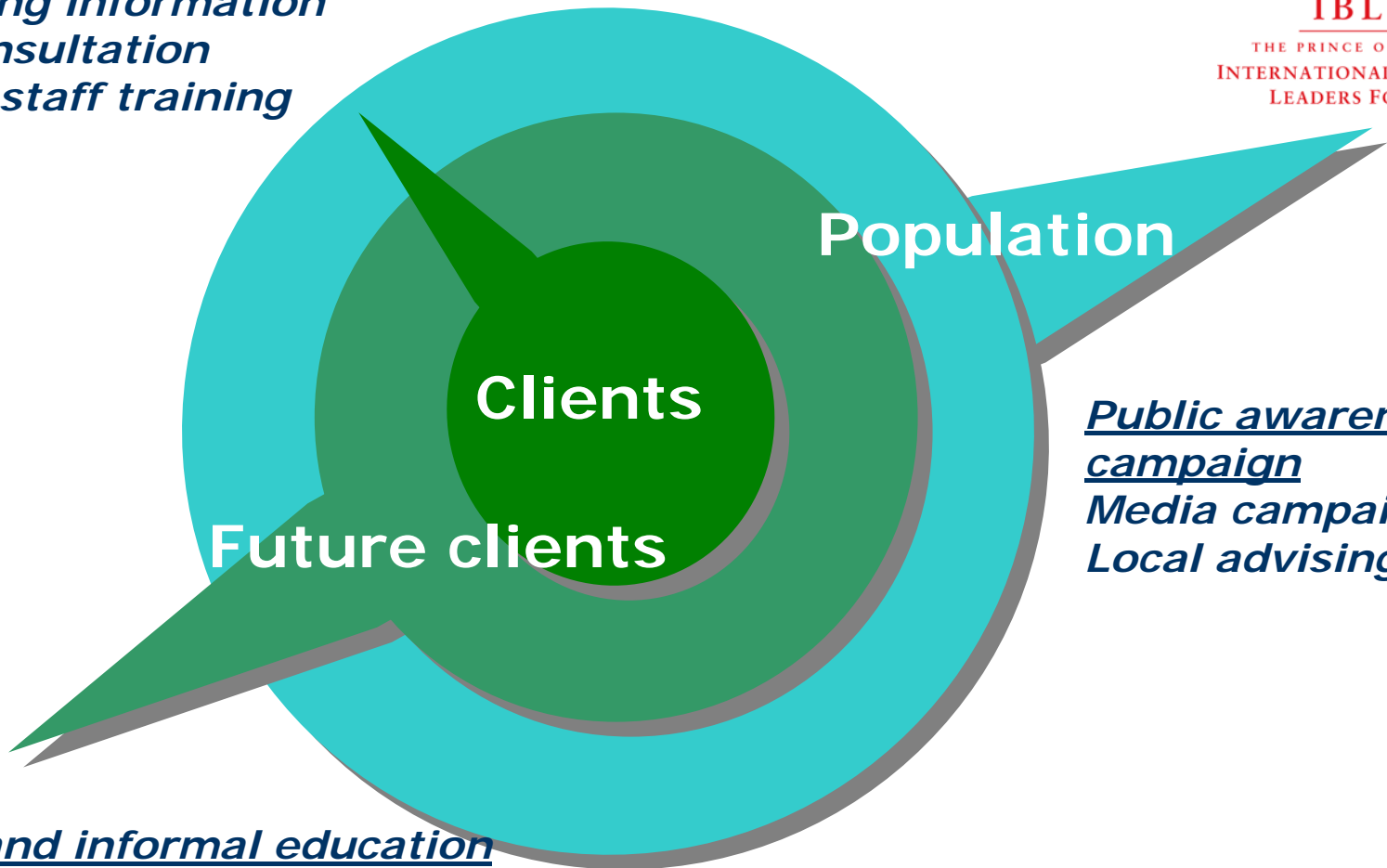
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Client relations

Providing information and consultation
Bank's staff training



Public awareness campaign
Media campaign
Local advising centres

Formal and informal education

Integration FL into the school and higher education
Employees engagement
Training for educators



Financial Literacy Task Force

Participants:

Financial companies, educational institutions, NGOs

Tasks:

- **Mapping** financial literacy programmes and resources
- **Support** of pilot projects and establishing cross-sector partnerships
- **Dissemination** of best practices

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Pilot projects

| Lead | Project | Description |
|--------------------|--|---|
| Visa International | Public Awareness Campaign | Social ads on TV |
| Bankir.ru | “To the local community” | Free classes in local councils |
| Merrill Lynch | Russian version of “Investing Pays Off” financial literacy programme | Introduction to financial markets for children and young people |
| ABN Amro, Oxfam | Youth Business Russia | Microcredits and mentoring for young entrepreneurs |

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Next steps

- Consultation with lead financial services/banks Dec 06
- Identification of key NGO/education partners Dec 06
- Next meeting of Task Force Jan 07
- Selection of priority projects Jan 07
- Creation of financial literacy web-site Feb 07

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