

**OECD-BANK OF ITALY INTERNATIONAL SYMPOSIUM ON FINANCIAL LITERACY: IMPROVING
FINANCIAL EDUCATION EFFICIENCY
9 JUNE 2010, ROME, ITALY**

**OECD DEPUTY SECRETARY-GENERAL RICHARD BOUCHER
OPENING REMARKS WITH PROF. VITTORIO GRILLI**

Professor Grilli, Dr. Visco, distinguished guests, Ladies and Gentlemen,

It is a great honour for the OECD to welcome you in this important symposium co-organised with our partner, the Central Bank of Italy, with the support of the World Bank/OECD/Russian Trust Fund.

I would first like to convey my most sincere thanks to the Central Bank of Italy and the Italian government for hosting this event in this fabulous city.

This conference reflects the growing awareness of the critical importance of financial education. The recent financial crisis exposed underlying imbalances of power and information between consumers and financial services providers. It showed us the potentially disastrous impact on our economic and financial stability when households make wrong and ill-informed financial decisions. Around the world, countries are responding by strengthening consumer protection and developing financial education programmes. Let me illustrate with a few examples:

- President Obama recently stated during financial literacy month in the US that “Ensuring this crisis never happens again will require new rules to protect consumers and better information to empower them”;
- Mr. Pranab Mukherjee, Indian Minister Finance, stressed at an event co-organised by the Reserve Bank of India and the OECD in March 2010, that: “Today, financial competence has become more essential as financial markets offer more complex choices”
- The United Kingdom recently created the Consumer Financial Education Body. The first independent public body dedicated to addressing financial education issues;
- The Czech Republic recently launched a broad and coordinated national financial education strategy in.

Financial education programmes must give all consumers, from very modest background to the wealthiest ones, the ability and confidence to access and use the financial services they need for their own unique circumstances.

Strengthening consumers’ financial behaviours and decisions is at the core of the OECD project on financial education launched in 2003 (more information in the brochure). This far-reaching project identifies good practices among countries and relevant stakeholders and develops principles and guidelines to promote and strengthen enhance financial education. 4 sets of recommendations have been endorsed by the OECD, supported by wide data collection and analytical research. These recommendations addressed the most urgent priorities such as credit, pensions or insurance issues.

In 2008 the OECD launched the International Network on Financial Education - now comprising 64 countries – enlarging the scope for sharing and dissemination of experiences and outputs. For the last two years, the OECD and the Network has focused on developing methodologies to strengthen the efficiency and effectiveness of financial education programmes as well as financial education in schools.

Today's symposium addresses some of the most salient global issues, such as:

- 1) measuring needs and progress,
- 2) improving financial education programmes through behavioural economics tools, and
- 3) applying these findings to individuals' essential decisions relative to saving for retirement.

Let me just say a few words on the OECD's work related to each of these important issues before I leave the floor to the experts for further discussion:

1. The measurement of needs and gaps is the first step leading to the development of relevant and successful financial education programmes. Later this year the OECD and its Network will launch the first international pilot survey on financial literacy; In parallel, -- and this is a major development -- a financial literacy assessment option will be included for the first time in the Programme for International Students Assessment – more commonly known as PISA - in 2012, providing us with unique data on the knowledge understanding and attitudes of 15 year-old students vis-à-vis financial issues.
2. The evaluation of financial education programmes and their improved effectiveness is at the core of our common priorities. In 2010, the OECD and its Network will finalise an international methodology to evaluate programmes and develop tailored recommendations using the learning of behavioural economics research to effectively support consumers' financial decision making process.
3. Societies are challenged by the financial implications of the growing life expectancies of their populations. With responsibility for planning sufficient retirement income shifting more and more to individuals, many countries, like Italy are developing targeted initiatives. The last session of the day will provide us some much needed food for thought for the well-being of our societies and future generations.

I would like to stress again the importance of events like this symposium. Your presence helps bring financial education to the forefront. We can make real progress by identifying relevant, realistic and innovative policy solutions. With this in mind, I am pleased to inform you that the papers discussed during this symposium as well as interventions and main policy conclusions will be published for general use.

I would like to thank you all again, and in advance, for your active contribution to this common effort and especially to thank our Italian colleagues for co-operating with us to put together this rich and promising programme.

I look forward to fruitful discussion and exchanges of views and experience and wish you a very successful event.