



OECD-CVM* Global Symposium

Aiming high: financial
education for short-term
needs and long-term goals

PRESENTATIONS

**Day 2: Session 4, Research spotlights
and keynote**
11 October 2019



* with support from ANBIMA, B3 and SEBRAE

Session 4



PROTECTING THE CONNECTED GENERATION

Financial education for the digitally savvy

Gloria Caballero
OECD/INFE

Rio de Janeiro, October 11th
2019





EVALUATING INFORMATION:
THE CORNERSTONE OF CIVIC ONLINE REASONING
Stanford History Education Group

“Our ‘digital natives’ may be able to flit between Facebook and Twitter while simultaneously uploading a selfie to Instagram and texting a friend. But when it comes to evaluating information that flows through social media channels, they are easily duped.”

RISKS

- Native advertising
- Increased peer pressure
- Cashless buying options
- Unregulated FinTech options
- Unscrupulous lenders



MEASURES

REGULATION:

Online advertising
Service providers

EDUCATION:

Financial Education
Media literacy
Social media literacy
Critical thinking skills

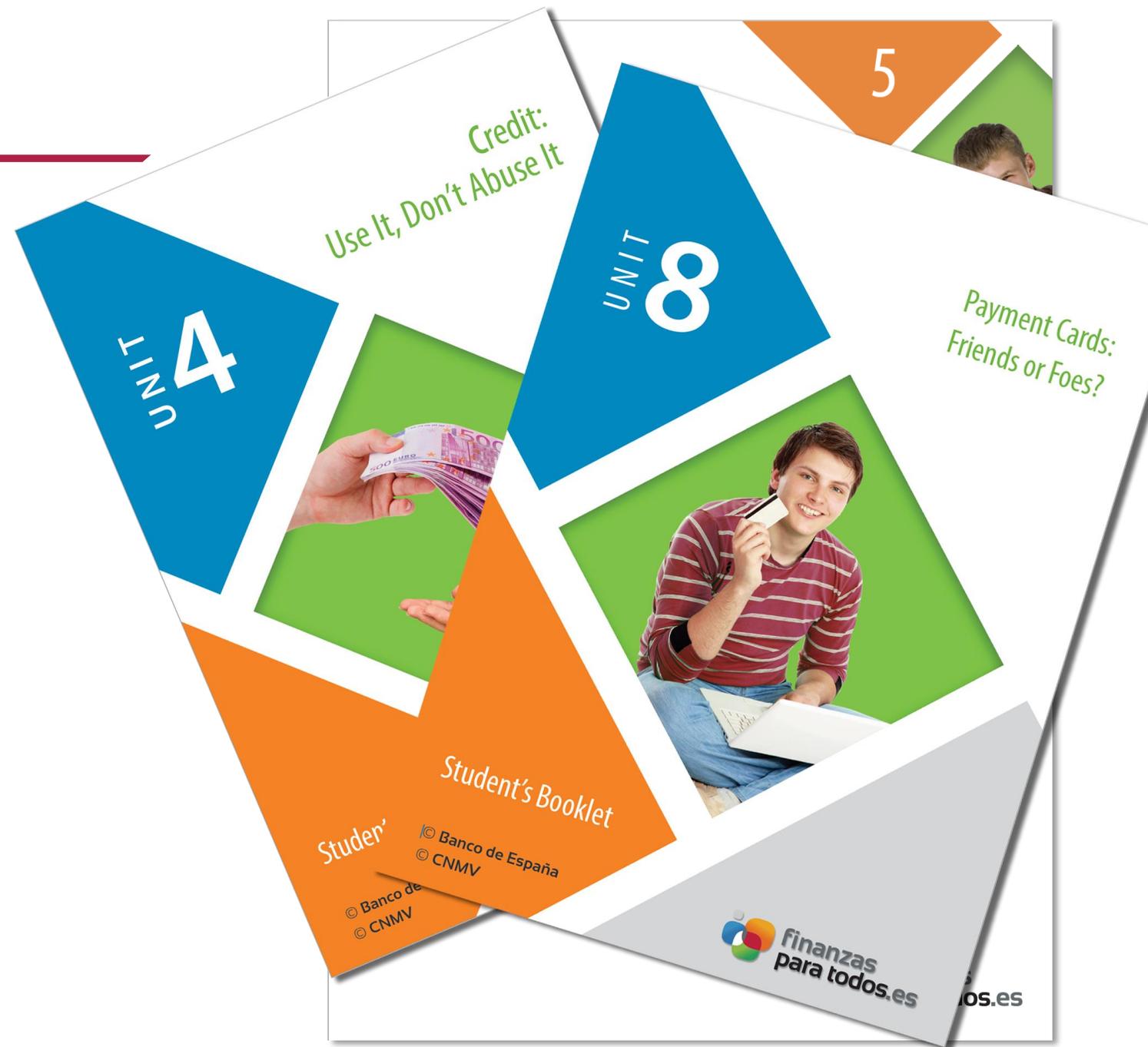
OUR APPROACH

Curriculum for participating schools

- Student booklets
- Teacher guides
- Bank of teaching resources

Workshops

Presentations in schools



Online training for teachers

- Saving
- E-commerce
- Credit and debit cards
- The psychology of personal finance



PLANNED INITIATIVES

Review and analysis of information found on websites and social media

A photograph showing two individuals from the chest down, both holding and looking at their smartphones. The person in the foreground is holding a gold-colored smartphone, while the person in the background is holding a blue smartphone. They are wearing dark-colored clothing. The background is slightly blurred.

Media Literacy for
Financial Education

Research Spotlights



Aiming High: The Power of Financial Education

Annamaria Lusardi

The George Washington University School of Business and GFLEC
Italian Financial Education Committee

Rio de Janeiro, October 10, 2019



Three topics

1 > **Financial literacy**

2 > **The impact of financial literacy**

3 > **Financial education**

To get started

A number:

1/3

To get started

1/3

- People who know the ABC of personal finance, even in a country with well-developed financial markets.
- How many people know the basics, even after having made many financial decisions.

Financial literacy: the ABC of personal finance

The Big Three

1. “Suppose you had \$100 in a savings account and the interest rate was 2% per year. After 5 years, how much do you think you would have in the account if you left the money to grow?”

- More than \$102
- Exactly \$102
- Less than \$102
- Don't know
- Refuse to answer

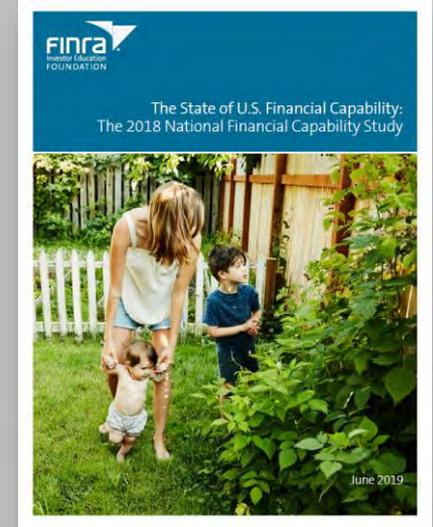
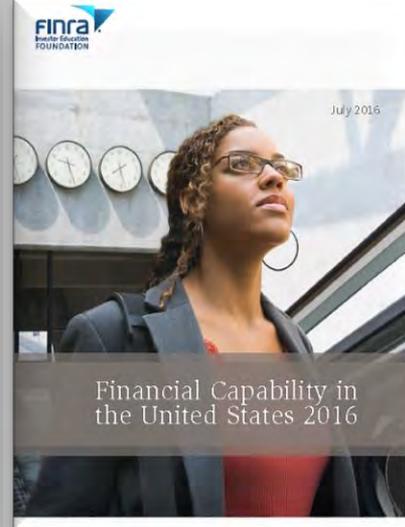
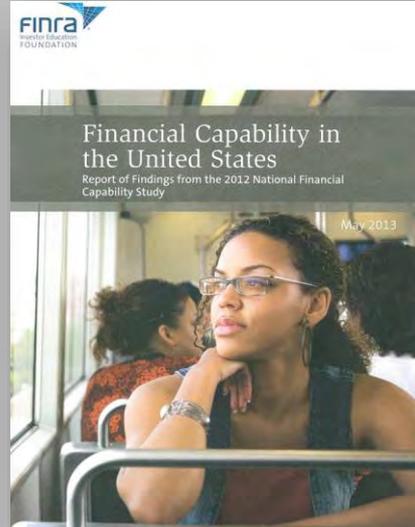
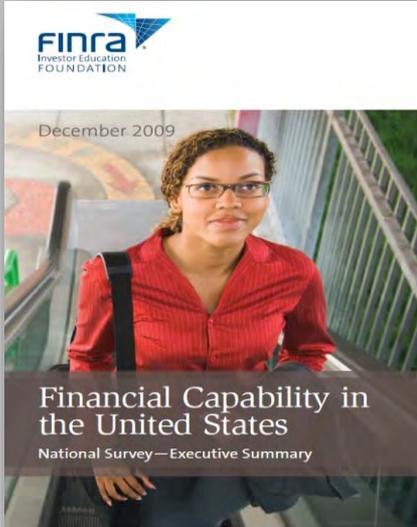
2. “Imagine that the interest rate on your savings account was 1% per year and inflation was 2% per year. After 1 year, with the money in this account, would you be able to buy...”

- More than today
- Exactly the same as today
- Less than today
- Don't know
- Refuse to answer

3. “Do you think the following statement is true or false? *Buying a single company stock usually provides a safer return than a stock mutual fund.*”

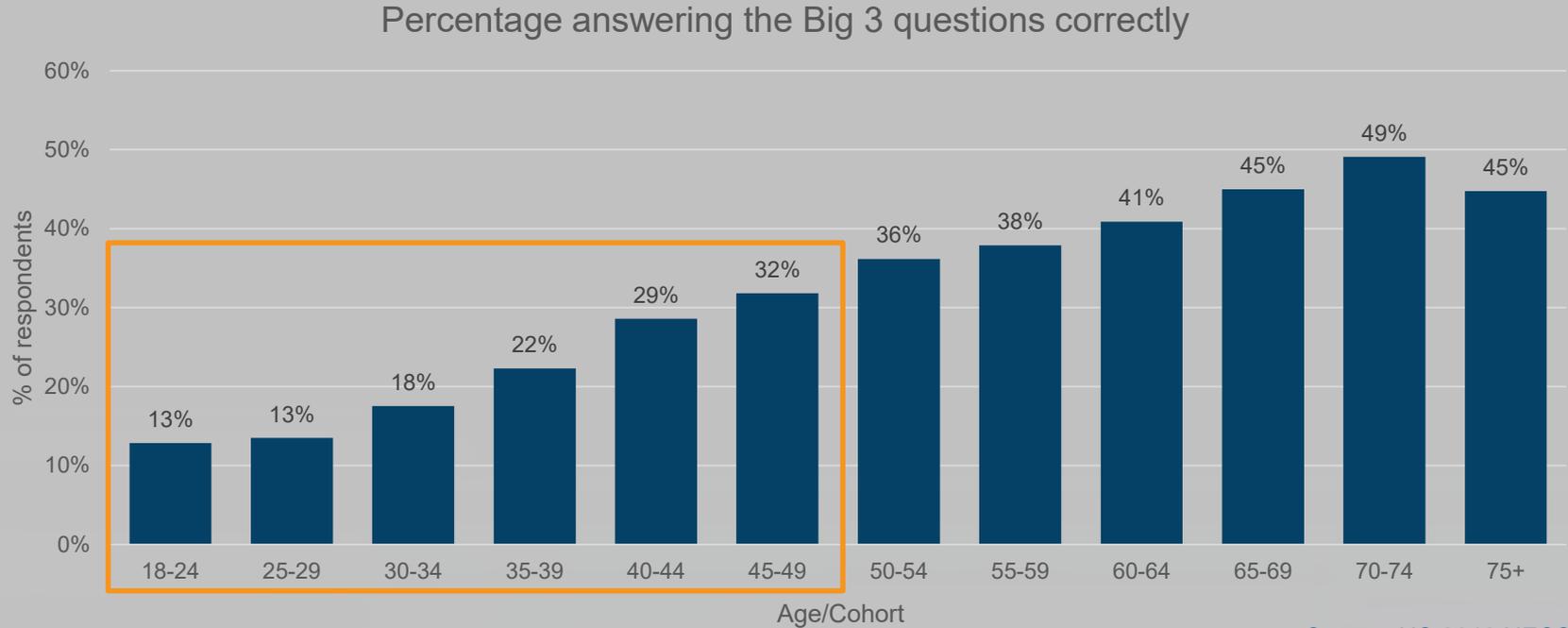
- True
- False
- Don't know
- Refuse to answer

The US National Financial Capability Study (NFCS), from 2009 to 2018.



We collaborated with FINRA Foundation to design survey questions and analyze the data.

Low financial literacy over time and age (NFCS 2018)



Source: US 2018 NFCS

About 1/3 of Americans know these 3 basic concepts by age 50 even though many financial decisions are made well before that age

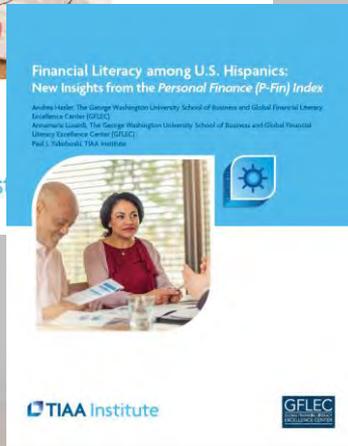
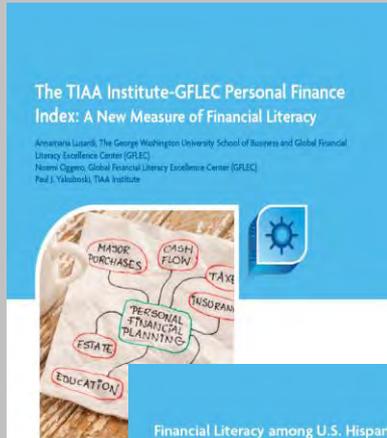
Financial literacy among investors - Our new report released today!

% correctly answering the Big 3

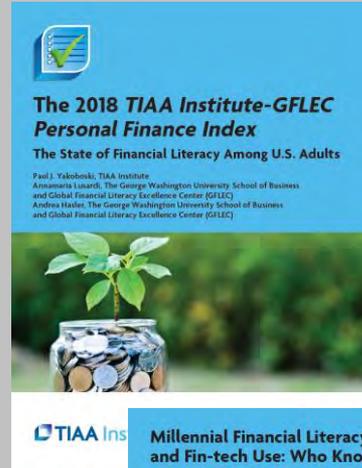


TIAA Institute – GFLEC Personal Finance Index (P-fin Index)

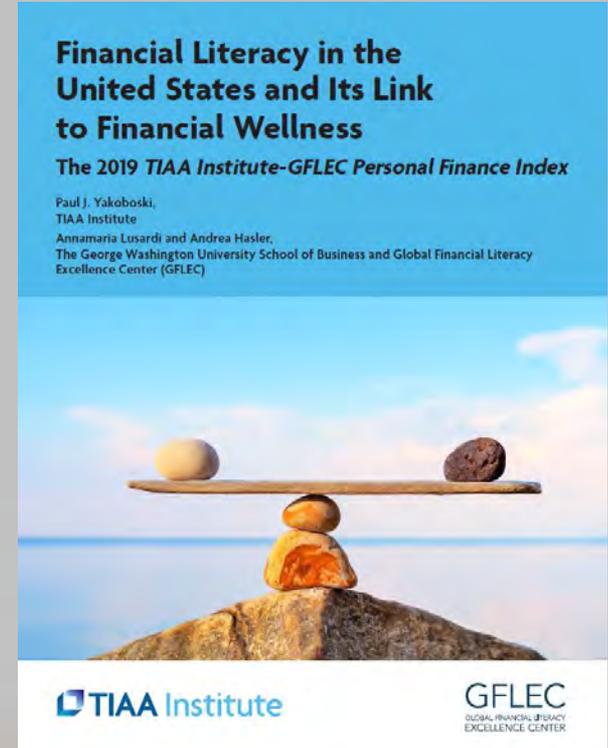
2017



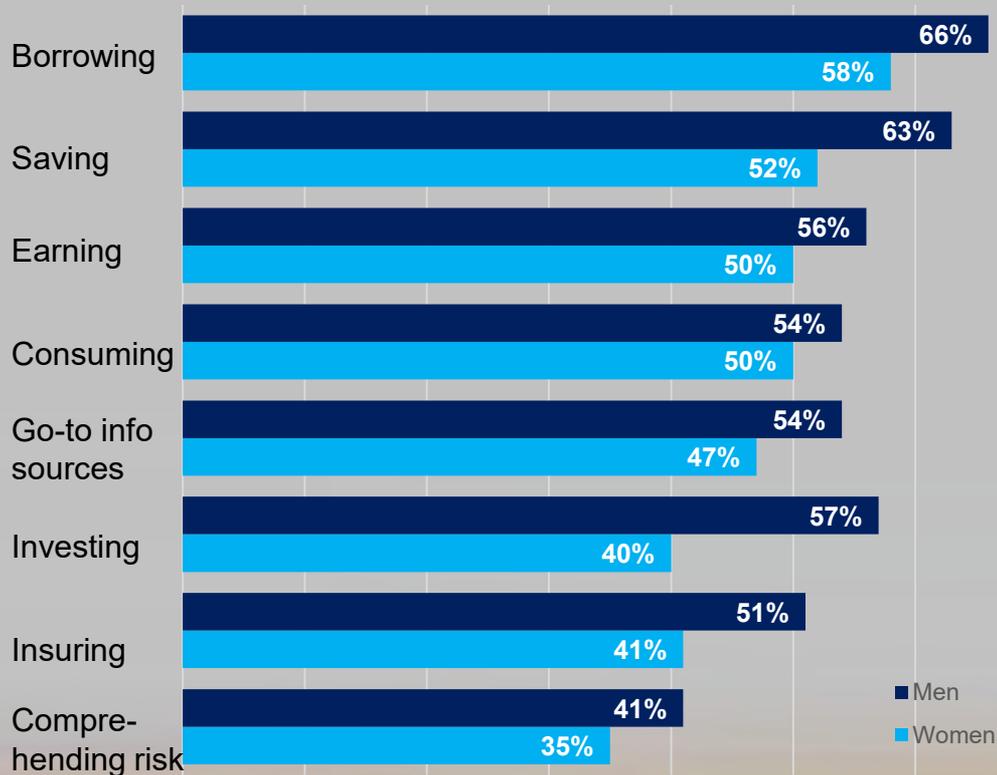
2018



2019



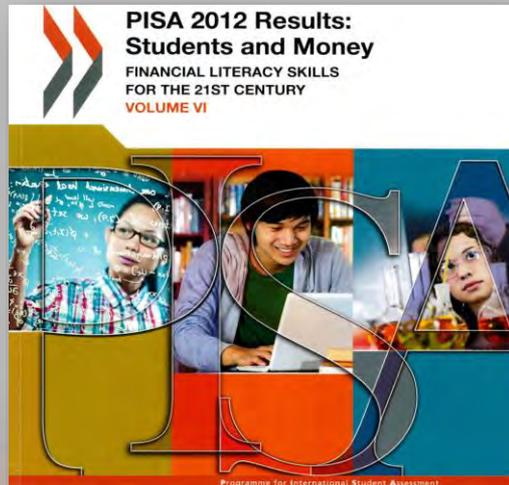
P-fin Index: 28 questions covering 8 topics



Source: P-Fin 2019

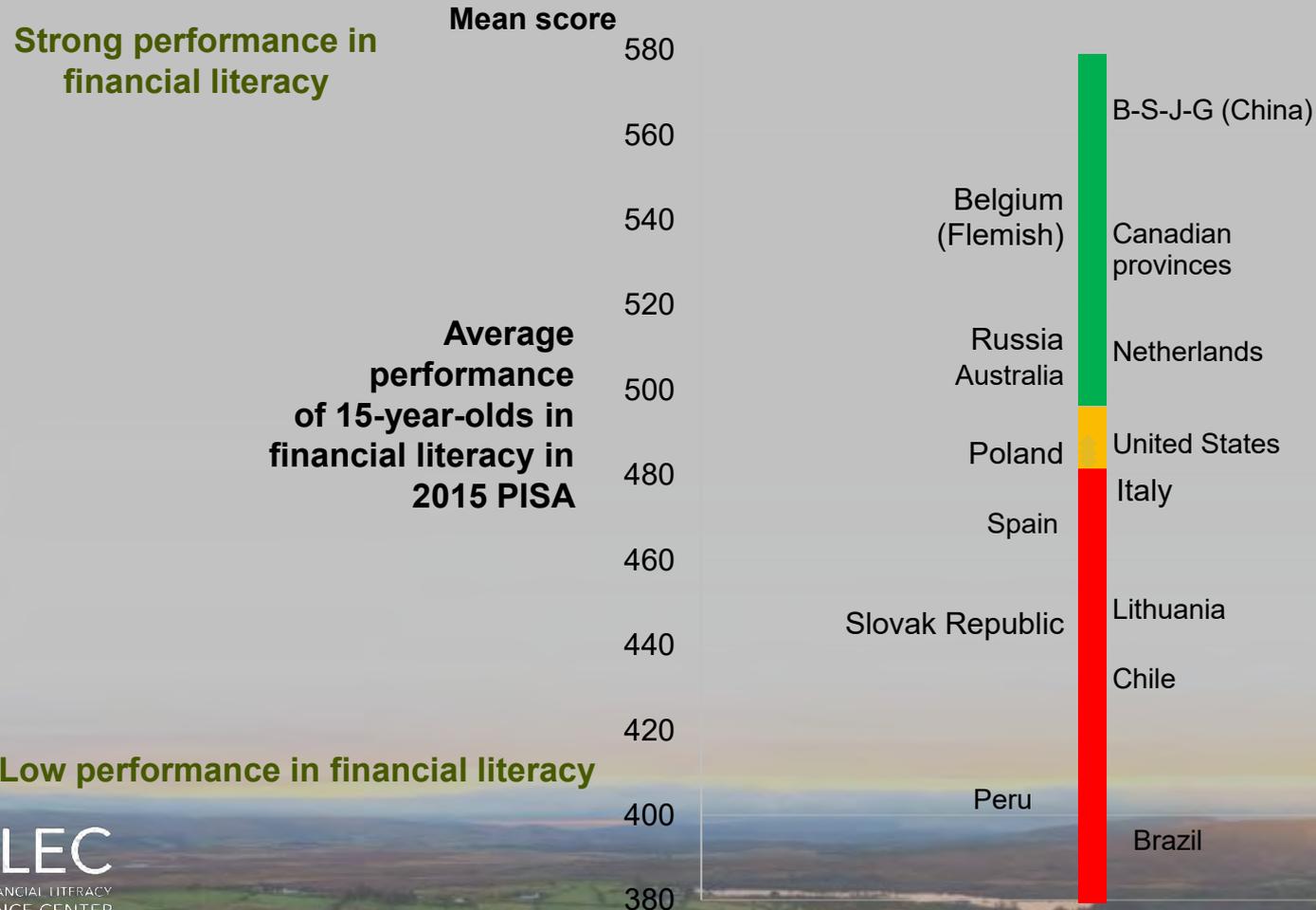
Turning to the young: OECD Programme for International Student Assessment (PISA)

Are students well prepared for future challenges?
Can they analyze, reason and communicate effectively? Do they have the capacity to continue learning throughout life?



Since 2000, every three years the OECD Programme for International Student Assessment (PISA) answers these questions and more. **It assesses to what extent students near the end of compulsory education have acquired some of the knowledge and skills essential for full participation in society.**

Average performance of 15-year-olds in financial literacy (2015 PISA)



Looking deeper into financial literacy

20%

One in five students are at level 1, they have no/insufficient financial knowledge

- Financial knowledge strongly related to the socio-economic background of their family
- Gender differences start early in life, e.g. Italy

Large diff.
among
students

Urgent need for financial education

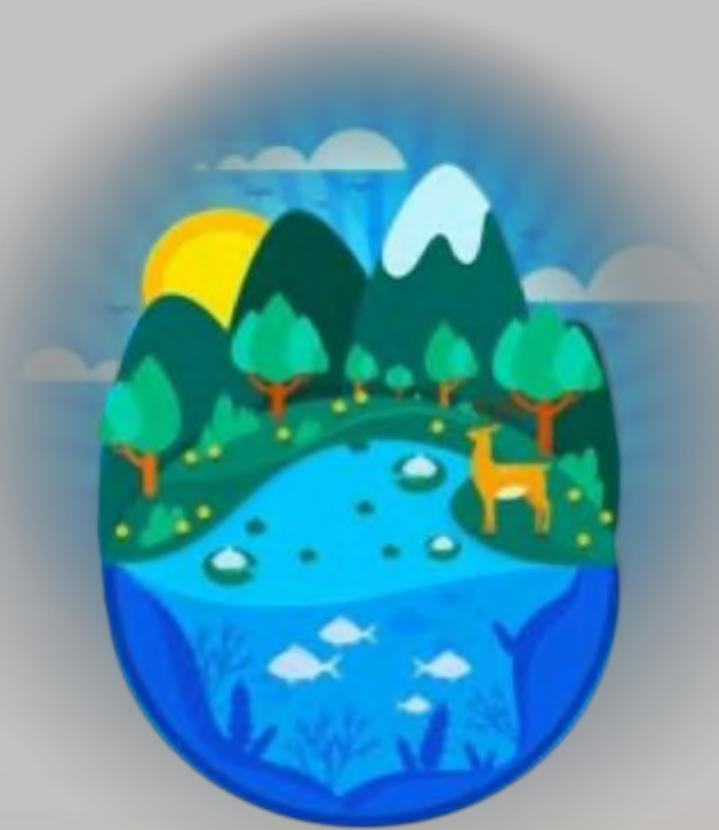
These numbers are not our destiny

- Changing the statistics
- Building a better future
- The ecosystem

Building an ecosystem

We need many components

- Financial literacy is an essential one
- It is the foundation (like water)
- It matters



Topic 2

Where is the deepest impact?

The powerful effect of financial literacy



- Lusardi, Michaud and Mitchell (2017), “Optimal Financial Knowledge and Wealth Inequality,” *Journal of Political Economy*, 2017.
- Consider a life cycle model of saving with financial literacy, where financial literacy affects the return on savings.
- Financial literacy is an important determinant of wealth and wealth inequality
- Important finding: **30-40%** of U.S. retirement wealth inequality can be attributed to difference in financial knowledge

A financial check-up

A (simplified) check-up to understand if people are doing well



Measuring financial fragility (one component of the check up)

How **confident** are you that you could come up with **\$2,000** if an unexpected need arose **within the next month**?

- I am certain I could come up with the full \$2,000.
- I could probably come up with \$2,000.
- I could probably not come up with \$2,000.
- I am certain I could not come up with \$2,000.
- Don't know.
- Prefer not to say.

From Lusardi and Tufano, BPEA, 2011

Who is financially fragile?

How **confident** are you that you could come up with **\$2,000** if an unexpected need arose **within the next month**?

- I am certain I could come up with the full \$2,000.
- I could probably come up with \$2,000.
- I could probably not come up with \$2,000.
- I am certain I could not come up with \$2,000.
- Don't know.
- Prefer not to say.



People with these responses are classified as financially fragile

From Lusardi and Tufano, BPEA, 2011

Financial fragility: What this measure does

**Is a symptom
of lack of
assets**

**Indicates lack
of borrowing
capacity of highly
leveraged
households**



Many Americans are financially fragile: 31% in the US population in 2018 (2018 NFCS data)

Millennials (age 18-35)

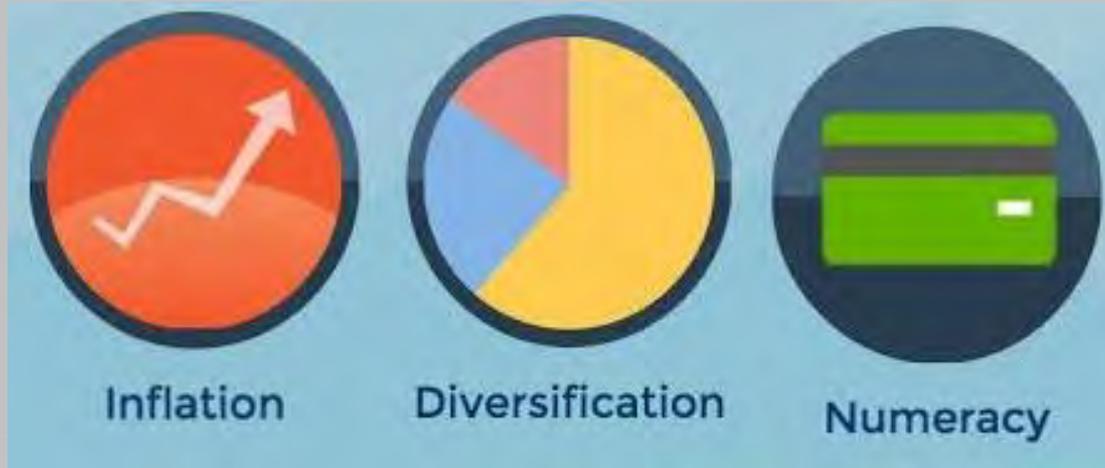
- 35% of Millennials are financially fragile



Women

- 36% of American women are financially fragile vs. 25% of men

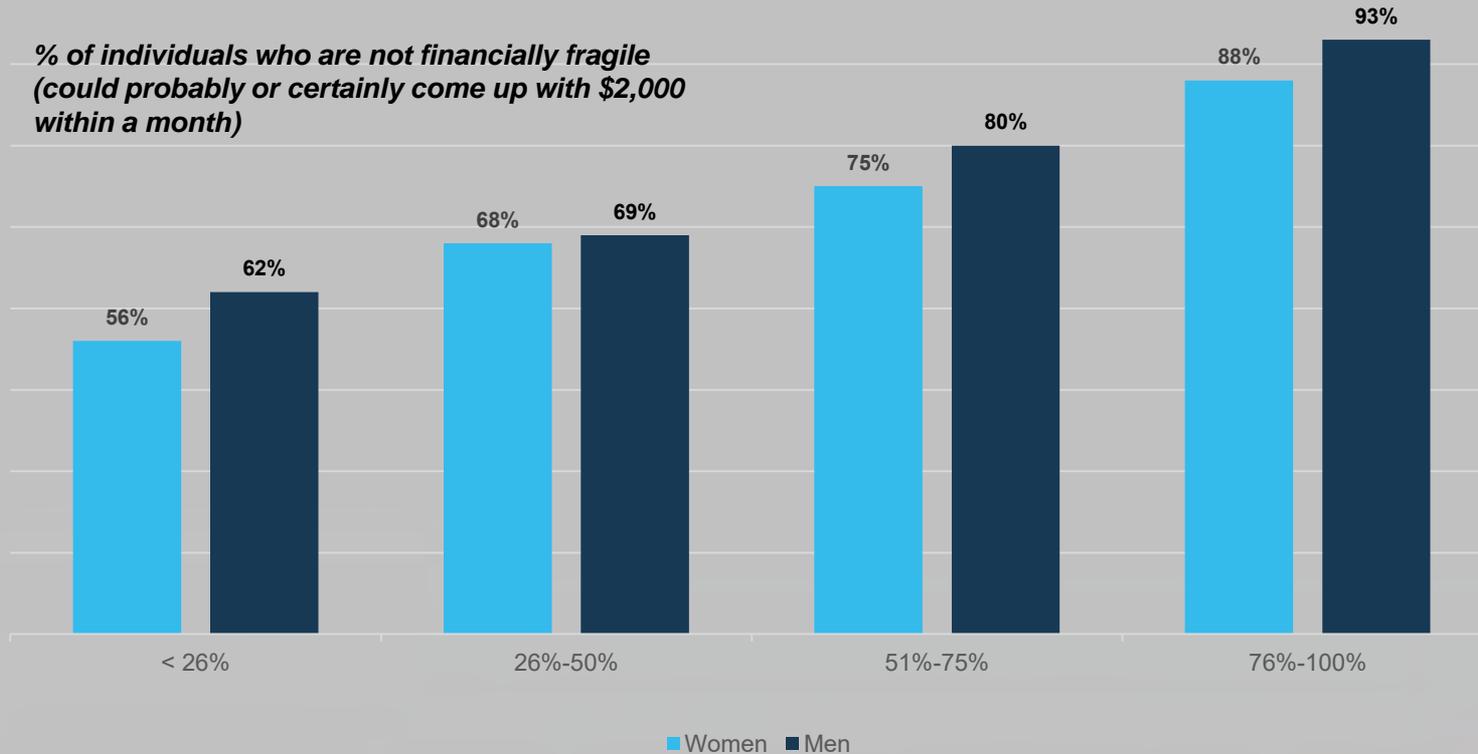
Financial literacy helps build financial resilience



Those who are able to answer the “Big 3” questions are less likely to be fragile

P-fin Index : Financial literacy is again linked to financial resilience.

**% of individuals who are not financially fragile
(could probably or certainly come up with \$2,000
within a month)**



% of P-Fin questions answered correctly

Topic 3

Finance education: aiming high

Building the pump to spread the water (finlit)

Using research to build effective programs

- Financial literacy levels are low
 - Need to improve knowledge of the ABCs of personal finance
- The young are an important target and can use time in their favor
 - Start in school and also programs in the workplace, in particular for Millennials
- Programs targeted to women
 - Vulnerable groups but can have a «multiplier» effect

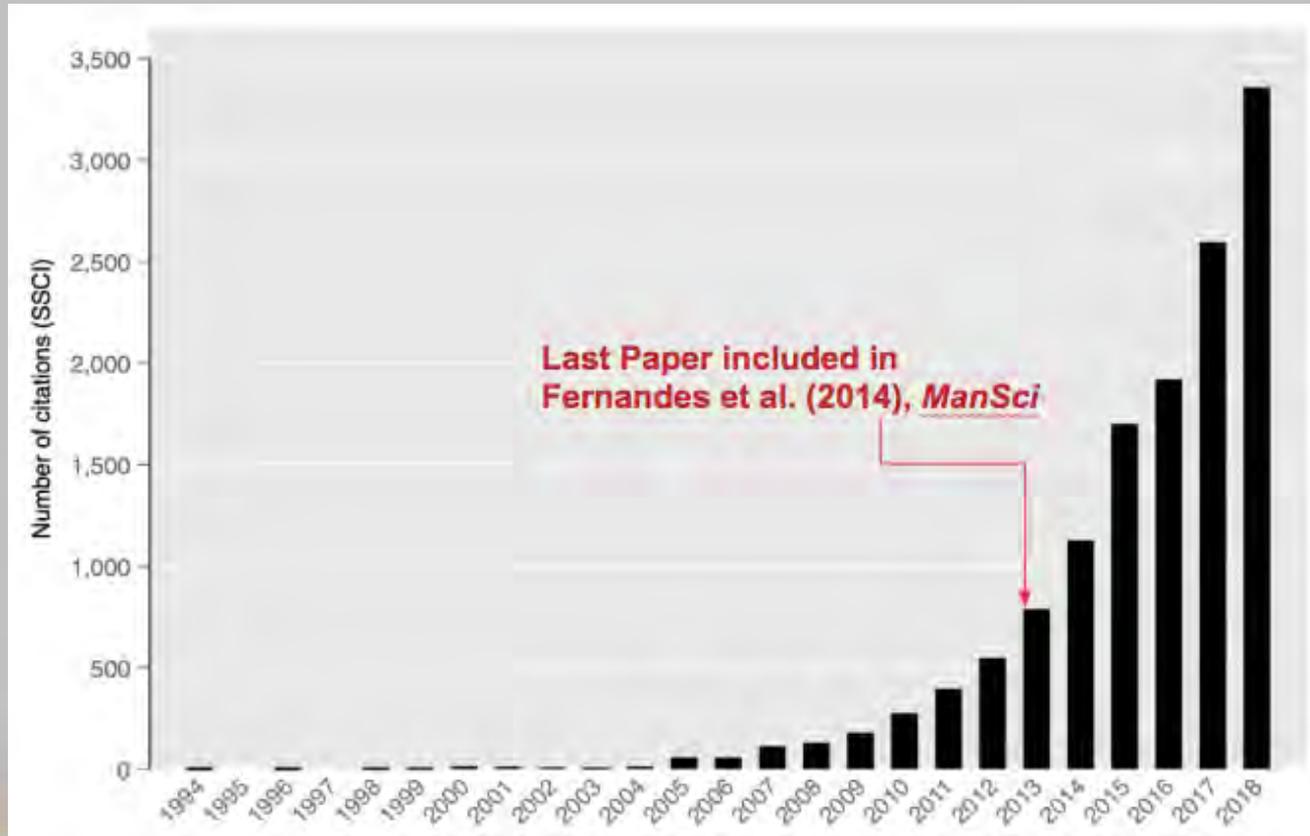
Given widespread financial illiteracy

Need for large and scalable programs

- Financial education in school
- Financial wellness programs in the workplace
- Financial education in the community (libraries, museums, theaters, other places where people go to learn)

Need the entire ecosystem to be engaged

What does the evidence say? Citations to the term “financial literacy” over time

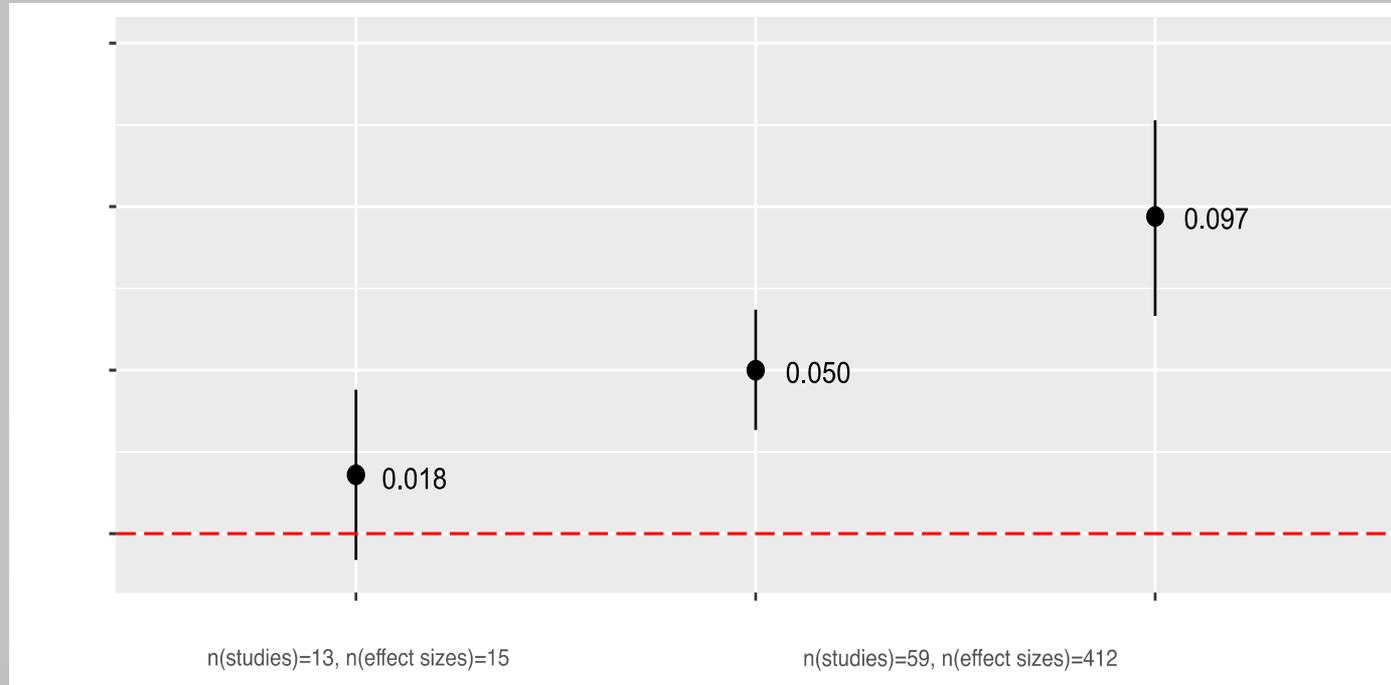


A new meta-analysis (Kaiser, Lusardi, Menkhoff, Urban (2019))

We have reviewed the financial education work that has been done so far

- We first reviewed the studies in Fernandes et al. (2014)
- We used the most rigorous evaluation only
- We have looked at the statements most quoted about the Fernandes et al. (2014) paper

Comparison the new evidence to the result in Fernandes et al. (2014). Recent papers show larger effects



A statement most quoted from the Fernandes et al (2014) paper

Fernandes et al. (2014): “Intervention to improve financial literacy explains only 0.1% of the variance in financial behavior studied”

- This measure creates the illusion of miniscule effects, when they can be economically significant. “Variance explained” is a misleading concept

Consider the following example:

Median effect of structured pedagogy interventions in developing countries = 0.13 SD units. (Evans et al. 2019)

In the Fernandes et al. (2014) metric: this intervention explains 0.36% of the variance in learning outcomes.

➤ Seems small?

Evans et al. (2019) report that this effect = ~0.6 years of “business as usual schooling” Economically, this effect appears to be large.

Summary of take-aways from new meta-analysis

- 1) Recent work shows clear evidence of positive effects of financial education on financial behaviors (+knowledge)
 - Statistical effect size is at least twice as large as the effect in Fernandes et al. (2014)
 - It may be up to five times as large (when allowing for between-study heterogeneity in true effects)
 - Robust to a lot of different approaches to meta-analysis and even when accounting for publication selection for statistical significance
- 2) Policy recommendations should be based on economic effect sizes, not statistical effect sizes
- 3) No strong evidence of “rapid decay”

Given widespread financial illiteracy

Need the entire ecosystem to be engaged.

Everyone can contribute to improving financial literacy.

Small initiatives can scale up

Fast Lane initiative at GFLEC: Promote financial education in high school

- Provides research-based guidance and support for (1) students, (2) teachers, (3) school administrators, (4) parents/guardians, (5) policy makers, and (6) community members
- Making sure young people are on the fast lane to financial prosperity



Girl Rising financial literacy curriculum

- Financial literacy curriculum to promote economic empowerment for young girls
- Curriculum includes lesson plans for children in upper-elementary, middle school, and high school



Personal finance course at the George Washington University

- Personal Finance courses for undergraduate and graduate students
- Extensive coverage of risk and risk management
- Paying attention to gender differences in financial literacy
- Material available for free on our website



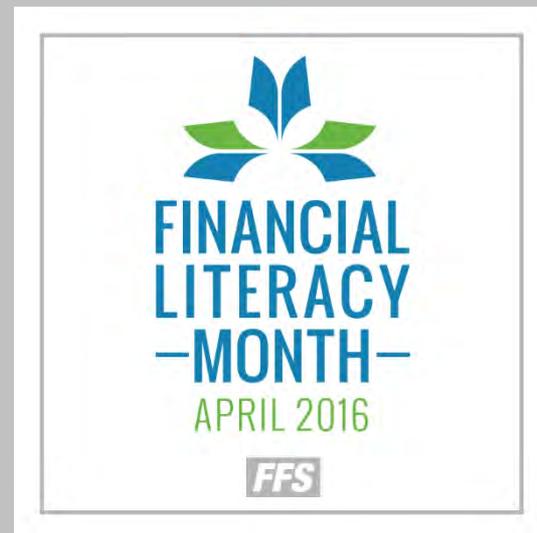
Olympics of Economics and Finance in Italy

Together with the Italian Department of Education, we instituted the Olympics of Economics and Finance

- Junior high school students
- Schools across the country participated
- Winners: female and male students also from poorer regions

We can change the statistics!

Financial literacy month: the ecosystem at work



Financial literacy month in Italy, 2nd edition (October 2019)

- We have about 600 events in the calendar
- Covering all regions of Italy and many cities
- Cover all groups of interest: young, women, old, small entrepreneurs, migrants..
- Grand opening this year in Milan with “finance in the theater”



Advice for public policy : Toward a new ecosystem

For policy-makers

- Policy makers should focus on well-being
- Add financial literacy among indicators of well-being
- Toward a more inclusive society



Meeting Italy's President: Sergio Mattarella

Our “return” to the work on financial education in Italy



Public policy: A quote from one of the U.S. Founding Fathers

“An investment in knowledge pays the best interest.”

Benjamin Franklin

Aiming high

The question about financial education is:

Which future do we want to build?





Implementation of National Strategies of Financial Inclusion and Education in LAC

Challenges and lessons learned

Diana Mejía
Senior Specialist – CAF

October 11th, 2019
Rio de Janeiro

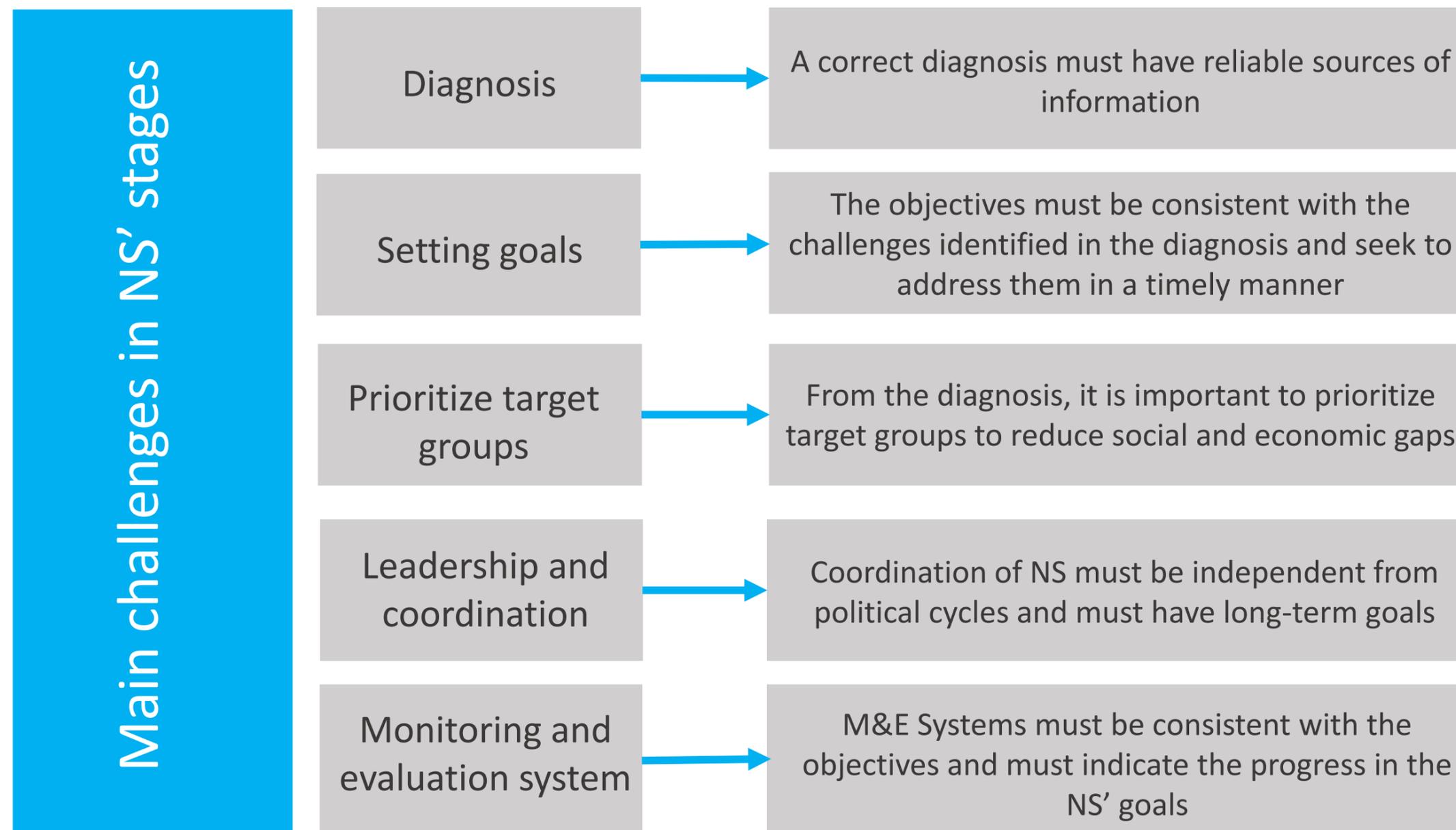
CAF BANCO DE DESARROLLO
DE AMÉRICA LATINA

50
años

Content

1. Progress of National Strategies (NS) of Financial Inclusion (FI) and Financial Education (FE) in LAC.
2. Use of international guidelines.
3. Challenges in baseline studies.
4. Challenges in setting goals.
5. Challenges related with prioritized populations.
6. Challenges in leadership and coordination.
7. Challenges in monitoring and evaluation systems.
8. Challenges in budget.
9. Conclusion remarks.

Designing and implementing a NS is not a simple task and is common to find some challenges on the way



Designing and implementing a NS is not a simple task and is common to find some challenges on the way

Status of NSFI in LAC

State of the NSIF	Countries
The NS is ending or the country is implementing a second NS	Paraguay, Peru, Mexico
A first NS is being implemented	Argentina, Brazil, Colombia, Jamaica, Haiti, Honduras
A NS is being designed or the country does not have one	Ecuador, Uruguay, Guatemala, Costa Rica

Status of NSFE in LAC

Country	The NSFE is part of the NSFI	The NSFE is an independent policy	Year of publication
Brazil		X	2010
Chile		X	2017
Colombia		X	2017
Ecuador	X		2012
Haiti	X		2015
Honduras	X		2015
Jamaica	X		2017
Mexico		X	2017
Paraguay	X		2015
Peru		X	2017

Use of international guidelines

- OECD and World Bank have important guidelines for the design of NS.
- In some countries the support of these entities has been important to start the design of the NS.
- In the case of LAC, the use of OECD's toolkit for measuring financial literacy has been of great importance. It has been used in seven different countries by CAF.

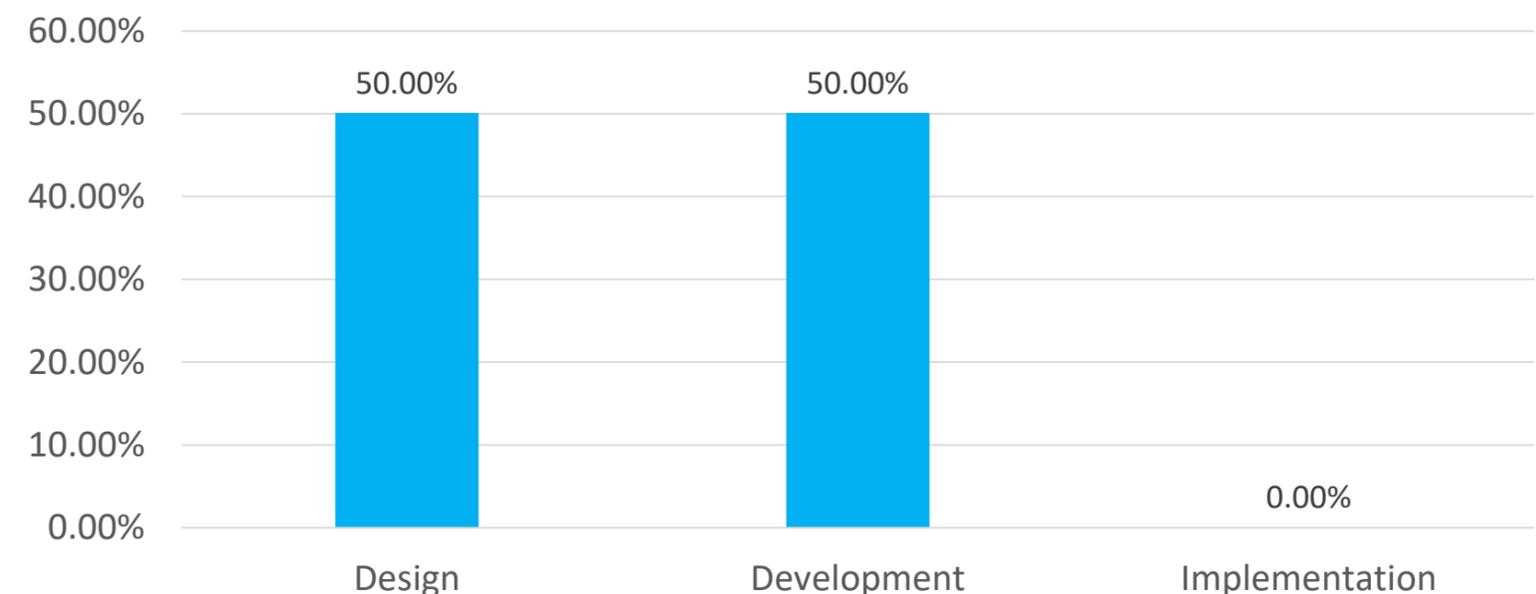
OECD, CAF, CEMLA and others conducted a survey to understand the main challenges in the implementation of NS in LAC. This survey was answered by 8 institutions from 6 countries. A draft of this study will be shared with the OECD LAC Regional Network for their review and comments.

6 institutions in 5 countries responded that they had received support in two stages: design and development (3 in each stage).

None of them has received support in the implementation phase of the NS.



Did your organization receive support from an international organization or multilateral body at any of the next stages of the national strategy?



Source: Own survey (Grifoni, Knoote, Mejia, Morais, Ortega and Roa). Challenges in the implementation of NS, 2019.

Challenges in baseline studies

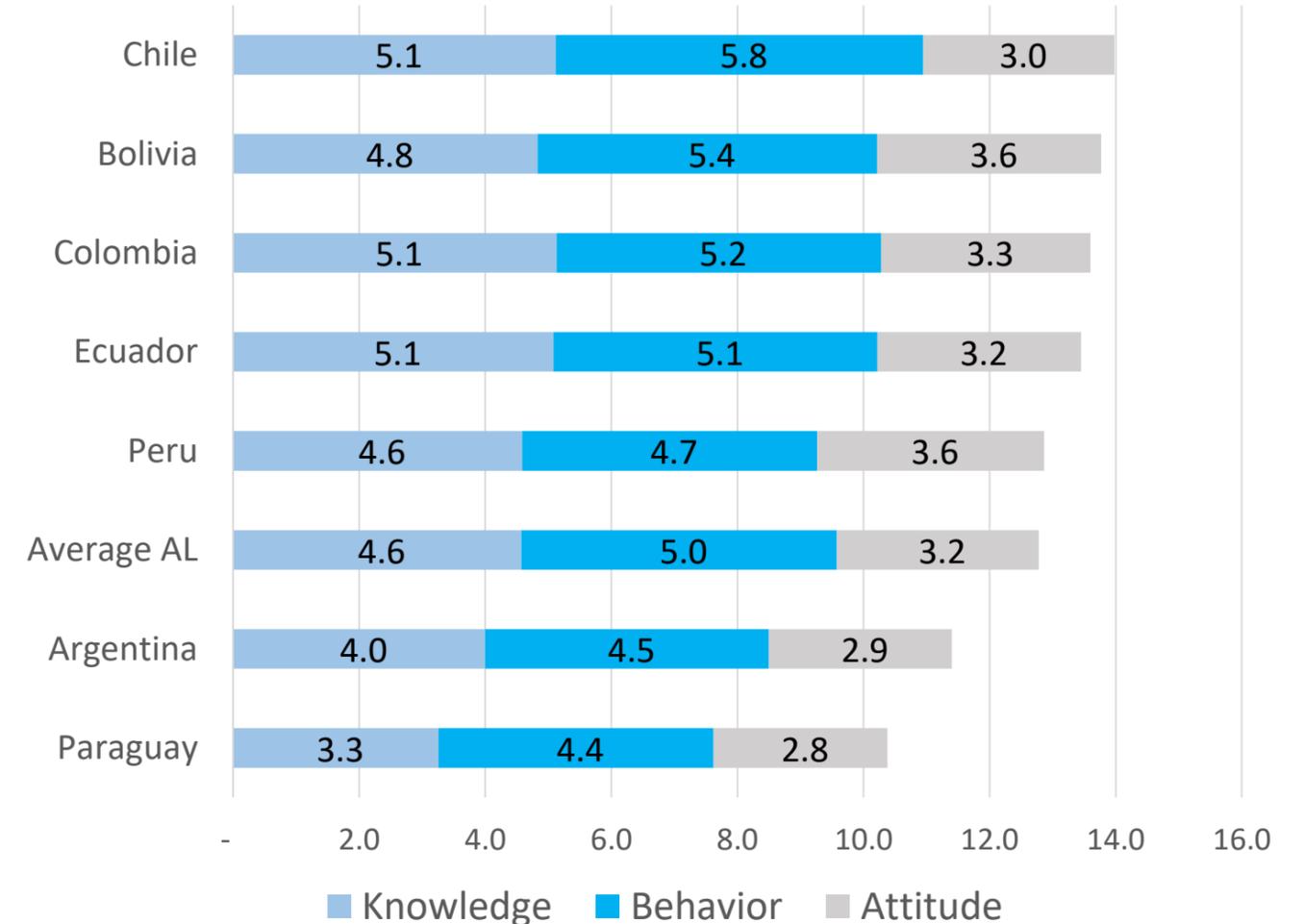
- One of the main challenges is [getting reliable data](#).
- Another challenge refers to have timely [information about vulnerable population](#).
- Few countries have [statistics from the demand side](#). This is an aspect to improve.

Countries with financial capabilities surveys - CAF (OECD/INFE toolkit)

One of the most important sources of information in Financial Literacy in LAC is the financial capabilities survey (CAF based on OECD/INFE toolkit).

Seven LAC countries have participated in this measurement financed by CAF: Colombia, Peru, Ecuador, Bolivia, Paraguay, Chile and Argentina. Other countries that conducted this survey are Brazil and Mexico.

This survey has been used as a baseline for NSFE.



Challenges in setting goals

Country examples

Peru

5 main objectives were established in the NSFI:

1. Generate greater confidence in the financial system.
2. Have enough services offer according to the population needs.
3. Alleviate frictions in market operation.
4. Develop infrastructure to increase coverage and use.
5. Strengthen interinstitutional articulation.

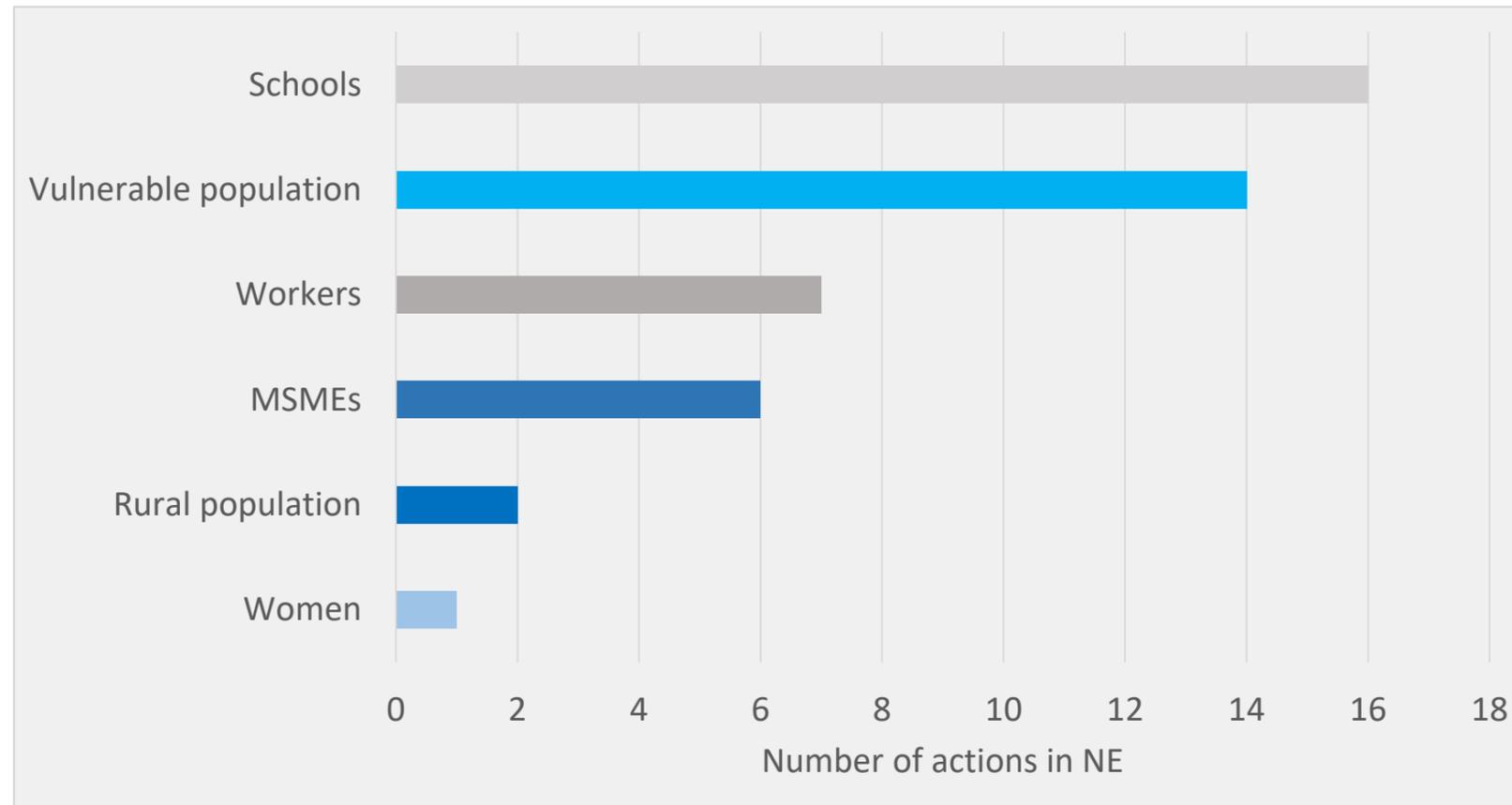
Paraguay

Four diagnoses were made: (1) A demand-side survey, (2) an offer-side survey, (3) legal advice and (4) consumer protection.

- It is important to **have information** about the current situation of financial inclusion and education.
- It is ideal to segment the information and **identify specific challenges**.
- **Objectives** must be set to solve the **identified challenges**.
- Trivelli & Caballero (2018) emphasize **the lack of indicators and objectives aimed to bridge the gap for vulnerable population groups** (women, poor, older adults, rural population).

Challenges related to prioritized populations

Only one NS has specific actions for women. The graphic shows a qualitative evaluation of action plans of NS of Peru, Mexico, Colombia, Paraguay and Brazil



Source: Own survey. Challenges in the NE's implementation, 2019.

Paraguay:

This country disaggregates its survey's sample in income quintiles and identified the needs of each population group.

Mexico:

This country has its survey disaggregated by population groups. This allows to identify gaps and challenges.

- In LAC's NS few countries have disaggregated indicators by population groups.
- Actions are reflected in a very general manner and are not specific to the needs of the most vulnerable groups (Trivelli & Caballero, 2018).

Challenges in leadership and coordination

- The main challenges related with leadership and coordination are:
 - × Lack of coordination between public institutions that are part of the NS and among these and private actors.
 - × Political dynamics and administrative changes within the institutions involved in the NS.
 - × Type of governance of the NS: most countries in LAC centralize their management and decentralize actions in working groups. One of the main challenges are synergies and articulation between the institutions.
- As a way to avoid instability it is important to define a coordinator or technical secretary that be independent from political cycles and **establish long-term goals**.
- The involvement of the **private sector in governance contains positive elements**, as it allows financial institutions to come together, and establish dialogue between them and the public sector. However, this has to be in line with the **Codes of Conduct** to guide the involvement of the private sector in the NS.



Challenges in monitoring and evaluation systems

- The success of an M&E system depends on **previews steps: diagnosis, definition of goals and good indicators.**
- One challenge is to have **measurable indicators** that show the **impact of the programs** and that are **in line with the objectives.**
- An identified weakness in some NS is the **absence of specific indicators on prioritized populations** or segments of the population to be served.
- It is important that the NS have **consistent data sources.**



NSFI Peru 2019

This policy has **measurable indicators for each objective.** Additionally, it has **the respective goals, actions and responsible actors** involved in each objective.

This is important, because it allows the creation of **synergies among actions and responsible institutions.**

NSFI Paraguay 2014

This strategy consists in **four general objectives and seven topics.** The indexes are accompanying each topic.

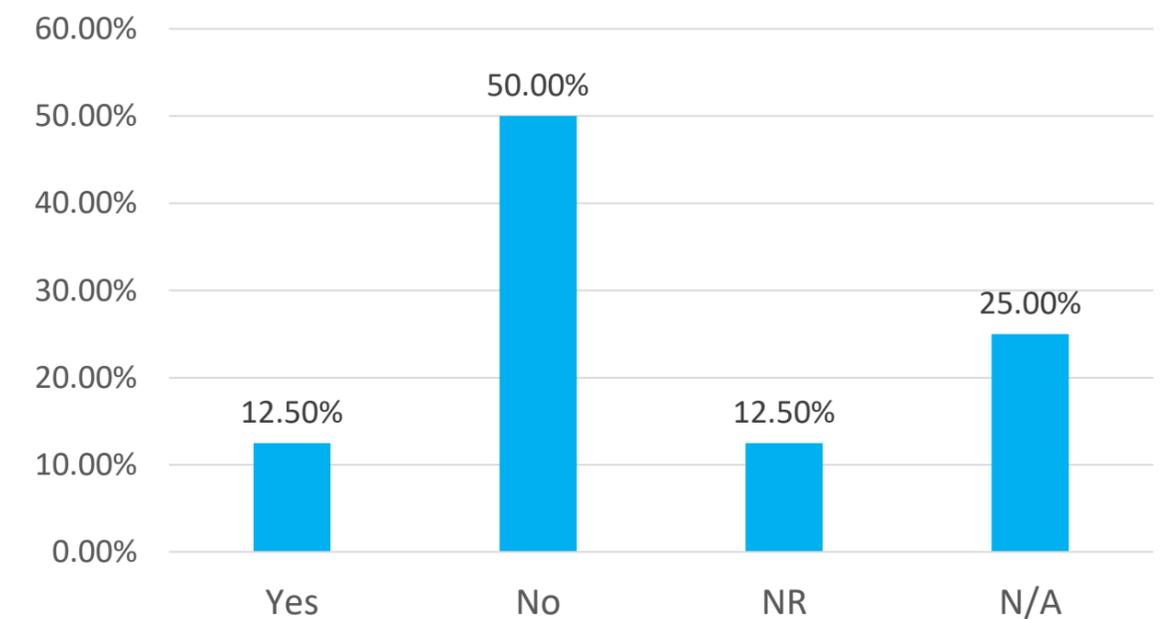
Additionally, this strategy has **two kind of indicators,** some for the long term and other quick win indicators.

Challenges in budgeting

In the mentioned survey conducted in LAC to some institutions in charge of the NS implementation, **one of eight said it had a clear budget for each action in the NS.**

- A clear budget for NS is important for its success.
- NS do not have a formal financing plan and, therefore, are being financed through the budget of each of the institutions that comprise it.
- **Its important that each action into the NS has a special budget.** This guarantees the success of each action and the NS itself.

Does the NS have a financing plan for its implementation?



Source: Own survey. Challenges in the NE's implementation, 2019.

Conclusion remarks

- The baseline studies have challenges in two ways: [Unawareness of the existence and importance of this instrument](#) and [lack of good practices](#).
- The [absence of timely diagnoses and actions in the face of vulnerable populations](#) is a challenge to be overcome by NS in LAC. Targeted and prioritized actions enable both NSFI and NSFE to be an effective public policy against poverty and inequality.
- [It is essential to draw long-term objectives and create synergies between institutions](#). A big challenge is the action vulnerability in the face of political cycles.
- It is essential to have a [good M&E system](#). It [depends on the previous steps such as baseline studies and diagnoses](#).
- Another challenge is to [have measurable indicators that show the impact of the programs](#) and its alignment with the objectives. A correct diagnosis and identification of needs are the key for a correct M&E system.
- It is necessary [that governments assign a budget for the NS](#). It guarantees the success of the strategy.

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Keynote

Keynote speech - Financial Education in an interconnected world: how national policies benefit from global insights

Ludger Schuknecht, OECD Deputy Secretary General

Dear **Carlos Rebello**, distinguished guests, ladies and gentlemen,

I am delighted to have the opportunity to address you at this impressive global symposium. Let me start by thanking our hosts for being a great partner of the OECD on financial education.

CVM (*the Securities and Exchange Commission of Brazil*) hosted the fourth meeting of the OECD International Network on Financial Education - or INFE, as we call it - here in Rio de Janeiro back in 2009! Through Vasco Cavalcanti, CVM continues to help us to shape the strategic direction of INFE [the International Network on Financial Education] through active participation in its Advisory Board. Thank you Carlos and Vasco.

We have made a lot of progress since that meeting, both through the international network and growing regional activities. Thanks to our joint centre here in Rio de Janeiro, we are now able to better support governments across Latin America and the Caribbean (LAC).

Later today, representatives of public authorities in LAC will meet to share their recent successes, take stock and discuss the way forward for financial education in the region. I wish you every success and thank CVM for their foresight in creating the Centre.

Today I will speak on how global insights can benefit national policy making in the increasingly interconnected world that we live in.

Like in many areas of policy-making, discussions on financial education were for a long time confined to national boundaries. But the global nature of the challenges for financial education have prompted the OECD to support member and non-member countries to address **common concerns**. The global crisis has shown us just how interconnected financial markets are, and while this interconnectivity in principle may be beneficial, it has also demonstrated the challenges for financial consumers navigating an increasingly complex financial landscape.

I am going to focus on two areas in which interconnectivity and global insights are particularly important for policy makers seeking to strengthen financial literacy. The first is **digitalisation**, and the second is **demographic shifts**.

First, let us think about the trend towards digital financial services. The financial world is being transformed rapidly by digitalisation. We are now witnessing the spreading of simple cashless payments through mobile phones and the creation of digital assets such as stable coins. Some of these transformations have been hugely successful in reducing financial exclusion by offering cost effective financial products to previously marginalised groups. The number of registered mobile money accounts around the world now exceeds an impressive 800 million.

But digitalisation has also brought a number of **risks for consumers**, and our policymakers need tools to address those risks. A global dialogue is essential to better understand and anticipate changes and meet the needs of consumers. In this regard, the G20/OECD INFE Policy Guidance on Digitalisation and Financial Literacy developed

during the Argentinian G20 presidency in 2018 is particularly important so that the risks of digitalisation are properly addressed. These risks include:

- Lack of trust in the financial system.
- New forms of exclusion for consumers for those who do not have **access to digital technologies**, do not have the **skills** and **confidence** to use them, or are identified as **too risky** by new risk assessment tools using ‘big data’ and augmented analytics.
- Increased over-indebtedness through high-cost short term credit, often offered online;
- Increased customer vulnerability to possible mis-selling, phishing schemes, and account hacking.

Furthermore, digital financial services – and online fraud - can easily traverse borders. National policymaking should be open to learning from international experiences and to international cooperation. This is why we are here today.

Work on digital financial literacy is continuing at the OECD through a working group under the INFE, which brings together representatives from 30 countries. In this working group we are addressing new and important issues related to digitalisation. These include consumers’ understanding of the importance and value of their personal information in this age of artificial intelligence and big data; and the need to support policy makers in exploiting digitalisation to deliver better and more effective financial education.

As part of this work stream INFE delegations approved the launch of a global survey to understand what works in the digital delivery of financial education in all its forms. We have a lot of work to do to better understand how digital tools can further improve the effectiveness of financial education. Consumers increasingly seek all kinds of guidance and tools through digital means and they should not be misled.

We know that some FinTech companies are keen to develop tools to help consumers manage their money better, whether it is credit, saving for retirement or investing. But we need to understand whether such tools actually make a difference. I was pleased to hear that several interesting possibilities were presented in the session on this topic yesterday.

As I mentioned, the second area I would like to focus on is **demographic change**.

The demographic profile of many countries is changing. Rapid population ageing is putting pressure on welfare systems so that private financial provisions are likely to become more important. All this takes place in an environment of low interest rates and high debt and asset prices. Life cycle choices of major investments, be they real estate, stocks or cash, and their timing, can have huge implications for the financial situation in old age. Old people may find the financial and technical innovations we experience a challenge. Population ageing hence creates new challenges for financial inclusion, financial consumer protection and education.

Earlier this year, the OECD and the Global Partnership for Financial Inclusion (GPMI) developed the [G20 Fukuoka Policy Priorities for Aging and Financial Inclusion](#). These will help policy makers and other stakeholders identify and address the challenges for financial inclusion associated with ageing populations. The G20 Fukuoka policy priorities provide many practical ideas for supporting seniors, not just in terms of using financial products, but in ensuring their financial well-being.

One of the eight priorities listed in the document suggests that policy makers should do more to ‘strengthen digital and financial literacy’. It reminds us that the people who look

after our older people need to be financially literate, and that seniors themselves can benefit from improved skills.

Indeed, while navigating new digital financial tools is a challenge for all of us, it is a particular obstacle for those of us who struggle with the digital world in general. And indeed, the G20 policy priorities suggest developing ‘initiatives that address both financial literacy and digital skills simultaneously by educating older people about the **safe use of digital financial services**’.

Fortunately, the OECD is making this task easier for policy makers. A new INFE working group on the implications of ageing for financial education, led by Australia and Japan, has agreed to develop a series of short guidance notes to help stakeholders to develop such initiatives. I am sure they will be in high demand.

But there is **another angle to ageing** that is important for us who care about consumers’ ability to effectively manage their finances. The nexus between satisfying short-term needs and preparing for **longer lives** comes out ever more clearly due to the dual policy challenge of widespread over-reliance on short-term credit and personal responsibility for long-term financial security.

Many citizens face major difficulties in managing their money on a day-to-day basis, let alone over the longer term. There is an increasing tendency for people to resort to short-term credit to fund consumables. People are being offered a wide array of tempting products that make it easy for them to buy now and pay later. Unfortunately, such products are often very expensive, and people who were already struggling to make ends meet often do not have the capacity to afford the inflated repayments.

Yet, even without an over reliance on short-term credit, planning for a longer life is difficult. Access to, and appropriate use of, savings and investment products is essential, whether self-driven or through retirement funds. Understanding the importance of saving and the correlation of risk and return, making informed portfolio choices and taking advantage of digital investment and trading tools can make a big difference in terms of expected lifetime payouts.

Fortunately, access to finance is improving, but various global trends are making saving less appealing. In particular, the current low interest rate environment does little to motivate savers, and it may drive savers to dangerous digital investments even if they do not understand the risks or cannot afford the losses.

Moreover, a rise in short-term contracts or freelance work make it harder for today’s young adults to have stable incomes and put money aside for their longer lives. Financial education cannot solve this problem by itself, but it is an important component of a comprehensive policy response. In fact, research by Professor Lusardi and colleagues has shown that financial knowledge increases the likelihood of investing in the stock market and that financial literacy is positively related to retirement planning and household wealth.

The wide-ranging discussions over the last two days have highlighted good practices that could be tried and tested across countries, but also remind us that there is much work left to be done. The implications of these challenges for financial education may vary from one country to another, and there will be differences in the cultural, social and institutional contexts in which they take place.

This means that financial education policies need to respond to local and national challenges. But there are also large similarities and we can all benefit from exchanging insights and sharing similar experiences across countries. It is for this reason that the OECD decided to create the INFE back in 2008. INFE brings experts together to share experiences, collect evidence and develop methods, tools and policy instruments. In

doing so we can help national authorities master the challenges and we can build capacity in countries with less experience.

The OECD and INFE have collected quantitative [measures of financial literacy](#). More than 60 countries have used the tools to measure the financial literacy of adults and youth.

The INFE Toolkit for adults and the PISA financial literacy option for youth allow policymakers to learn how their country compares with others, who in their country needs financial education the most, and what the main financial literacy needs are.

The latest results for adults and youth will be presented in the OECD Conference Centre in Paris in [May](#) next year – please let me be the first to invite you!

In addition, the OECD has long stressed that financial education should be designed to create positive change in the way people behave and their attitude to financial matters.

Financial education tools are now integrating lessons from behavioural sciences. The International Organization of Securities Commissions (IOSCO), through CVM, and the INFE recently developed a detailed report on this issue. I am delighted to inform you that the OECD has now summarised the findings of that report in a short guide entitled “[Smarter Financial Education](#)” to help to improve financial education design.

As many of you will know, the OECD is now also responsible for Global Money Week, the ultimate interconnected global communication campaign to encourage interest in financial matters from a young age.

Since its inception in 2012, Global Money Week has reached 32 million children and youth in 174 economies worldwide. I am confident that it will reach many more of our younger citizens, and create a global appetite for learning more about money matters.

This symposium has facilitated an open dialogue on avenues for future work. Your contribution will be critical in improving national policies. This will help identifying the most appropriate ways of improving consumers’ financial well-being.

We look forward to continuing our work with you through the ever-expanding OECD International Network on Financial Education and its Global Money Week.

Thank you.