

This newsletter provides updates from Phase II of the OECD/INFE Financial Education Technical Assistance project in the Commonwealth of Independent States (CIS) and updates from the OECD/INFE and the CIS

About the project



Phase II of the Technical Assistance (TA) project on Financial Education in the CIS is financed by the Ministry of Finance of the Russian Federation. It covers Armenia, Belarus, the Kyrgyz Republic, Tajikistan and Uzbekistan - with some specific deliverables encompassing Azerbaijan and Kazakhstan.

Interaction on practical issues and sharing experiences can take place also through the OECD [ONE CIS community](#), which is only accessible to project countries (in the event

of access difficulties, contact secretariatcis@oecd.org). Find more project information on its dedicated website at www.oecd.org/financialeducation/globalpartnerships/cis/

Project News

Financial Literacy, Financial Resilience and Digitalisation in the CIS” and launch of the “CIS-INFE Financial Literacy Network

The CIS team held its annual high-level conference and workshops and launched the CIS-INFE Financial Literacy Network on 15-16 December. More than 50 participants were brought together and exchanged insights on how financial education can support financial resilience and enhance preparedness against various shocks. Discussion focused on (new) vulnerable groups particularly affected by COVID-19. During panel sessions and workshops, speakers shared insights on the challenges and benefits of digital financial services, on various initiatives for a safer and better use of Digital Financial Services and on the experiences of using digital means to deliver financial education. In this newsletter, we highlight a few important contributions.

You can visit the [ONE community website](#) for a full summary of the event as well as links to all presentations.

Conference Highlights

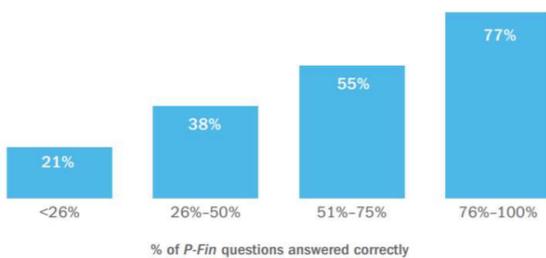
How to decrease the financial fragility of vulnerable groups, leading to an increase of financial resilience and well-being? *Keynote by Professor Annamaria Lusardi*

Professor Lusardi explained the concept of “Financial Fragility” as “how resistant an individual is to a financial shock”. Evidence suggests that even in periods of stability and economic growth, almost one in three persons are fragile and do not have an immediate solution in case of a financial shock. The recent pandemic has worsened this ratio. Groups with low level of financial resilience have difficulties with concepts that are particularly relevant and necessary in a crisis (such as risks, insurances, and long term saving). To tackle the crisis, financial education initiatives need to focus on these low level groups and teach them essential concepts. For future practice, policy makers should learn from this crisis to be better prepared for the next crisis.

The strong link between financial literacy and financial fragility

Those with greater financial literacy are less likely to be financially fragile.

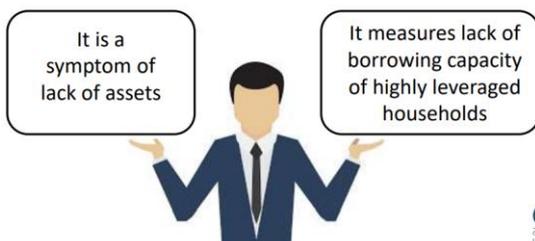
% who could certainly come up with \$2,000 if an unexpected need arose within the next month



Source: TIAA Institute-GFLEC Personal Finance Index (2020).

A measure that goes beyond assets

- Financial fragility measures 2 aspects of personal finance



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“Financial knowledge is positively associated with higher Fintech awareness and adoption.”

Evidence from Asia confirms that financial education correlates with financial literacy and with the likelihood of holding financial assets.

Financial difficulties from a psychological perspective *Professor Thomas Richardson*

Scientific insights show the link between financial health and mental health. Financial education can lead to an increase in the mental health of people. The pandemic, leading to an increase in the number of people with financial problems, increased also the number of people with mental health problems. These interrelated problems are addressed by working simultaneously on financial and mental aspects. A variety of psychological mechanisms and biases (impulsive spending, low self-esteem, comfort spending avoiding finance behind certain behaviours need to be understood and addressed in financial education programs to help people manage their financial situation better.

Challenges of borrowing and the risks of over indebtedness lead to financial stress. Being aware of the long-term implications of credit commitment is an important element of financial resilience.



Source: OECD/INFE International Survey of Adults Financial Literacy 2020

The COVID-19 pandemic has further accelerated the digitalisation of financial services and digital financial education. The following topics were presented: the pros and cons of digitalisation of financial products and of financial education; the use of *nudging* and *sludging* techniques to change people's behaviour, and the importance of focusing on effective and safe use of digital payment products and services. Digital financial education helps teachers with group formation (heterogeneity and homogeneous groups formation), class differentiation, parental involvement. Free online material [here](#).

Looking for something else? Develop positive changes in behaviour of kids and their community by playing theatre!

Initiatives to tackle new or increased financial and mental health problems due to the COVID-crisis.

- Make people aware of their own warning signs; this will help them to get help earlier on.
- Provide better information about how to seek help and how to obtain support.
- Make consumers aware of pros and cons of borrowing and help them deal with over-borrowing.
- Pass simple messages to consumers, such as "stay positive and believe you can do it"
- Support initiatives for loan repayment holidays and inform the people of the existence;
- Financial education programs should offer the possibility of wider learning beyond the syllabus.
- Help the vulnerable groups understanding the importance and the building of a safety cushion.

Latest Releases

Recommendation of the OECD council on Financial Literacy

Available [online](#) in various languages (i.e. [English](#) and [Russian](#)) the new recommendations present a single, comprehensive, instrument on financial literacy to assist governments, other public authorities, and relevant stakeholders in their efforts to design, implement and evaluate financial literacy policies. It covers the areas of:

- National strategies for financial literacy
- Financial literacy and the various sectors of the financial landscape
- Effective delivery of financial literacy programmes

Adherence to the recommendations (already 37 OECD members and Brazil) means joining a leading, internationally vetted instrument of good practices, measuring up the financial literacy practices to a comprehensive and up to date instrument, benefitting from the work and support of the global INFE community. Reach out to the OECD secretariat if you want more information on how to adhere secretariatcis@oecd.org.

Financial Education Initiatives in Project Countries



World Savings Day was celebrated in Uzbekistan. From 24 to 31 October various activities took place. The Central Bank of Uzbekistan, as initiator and coordinator, brought together 10 commercial banks and 9 other stakeholders to organise more than 10 events during the week.

In particular, the online conference "We will increase financial literacy together" was held with the participation of different stakeholders, focusing on the topics of savings, insurance and investments. Another initiative was the online test for schoolchildren on financial mathematics and the online championship on financial literacy, which included financial and mathematical questions. A competition among university students was devoted to the project "single bank deposit" and suggested developing the conditions for opening a savings deposit in a bank. More than 16.5 thousand schoolchildren and students from all over the country participated in the events organised within the framework of WSD 2020.



Looking for activities and tools on daily budget management?

Have a look at [Daily finances](https://vashifinancy.ru/) of financial education website of the Ministry of Finances of Russian Federation (https://vashifinancy.ru/). You will discover various practical articles, advices and hints, for daily budget management and a variety of life situation such as family budget planning, finance and housing, work and salary among others.

In Focus

GLOBAL MONEY WEEK

22-28 March **2021**

Annual Financial Awareness Campaign
 @GlobalMoneyWeek
 #GlobalMoneyWeek2021
 www.globalmoneyweek.org

Organised by **OECD**
 BETTER POLICIES FOR BETTER LIVES

Global Money Week (GMW) promotes efforts aimed at improving financial literacy of young people. The ultimate goal of GMW is to ensure that all children and youth: have access to high-quality financial education, learn about money matters and are able to take smart financial decisions that can improve their future financial resilience and financial well-being. All national and international stakeholders are invited to join the campaign; including public institutions (ministries of finance and education, central banks, financial regulatory authorities, etc), financial institutions and their associations, civil society organisations, youth associations, universities and schools, education and health professionals, parents and any organisation that may play a role in ensuring that young people become financially literate. To join, please fill out GMW Pre-Event Form [here](#). Please complete the form no later than **12 March 2021**. Read helpful tips on how to plan your GMW [here](#).

GMW2021 Theme



'Take care of yourself, take care of your money' is the official theme of Global Money Week 2021. The theme highlights the importance of building financial resilience and staying healthy in the current context. GMW participants are encouraged to use the theme to create their own GMW activities. Depending on the national context and designed activities, participants may also continue to use the permanent GMW slogan 'Learn. Save. Earn.' Learn more [here](#).

GMW Webinars



We're organising GMW preparatory webinars in the coming months to help everyone find inspiration and prepare for the 2021 edition of Global Money Week.

Watch the latest GMW webinar on – [Shifting financial education activities “from in person to digital”](#) – and subscribe to our new YouTube channel [here](#).

GMW Resources



Check out resources that guide you to either plan your GMW activities or help you promote the Week. GMW resources include:

- GMW Toolkit
- GMW Branding & Style Guidelines
- GMW Brochure
- GMW Logos & Designs all accessible [here](#).

Additional GMW Social Media Toolkit can be found [here](#).

Connect with us!

For more information on GMW, please see www.globalmoneyweek.org. Follow GMW online @GlobalMoneyWeek on Facebook, Twitter, Instagram and LinkedIn to stay updated with the latest news on #GlobalMoneyWeek2021

Upcoming events

CIS – INFE Regional Network Discussion meeting, 5 March 2021.

This Regional network, build on the example of Latin America, gives the opportunity to CIS policy makers and INFE experts to interact closely and exchange knowledge and good practices in the framework of the TA project and on the existing and new (2021) dataset on financial literacy.

Virtual Peer Learning Event, 16 March 2021.

With the participation of the National Bank of the Republic of Belarus on the topic of stakeholder relations.

INFE Webinar, Financial resilience and financial literacy: opportunities for the economic empowerment of women, 31 March 2021. The fourth webinar in this series will look at gender differences in financial literacy and financial vulnerability before and after the Covid-19 pandemic. [Registration and agenda](#)

Talinn conference on Financial Education, [Current Practices and Future Challenges](#) June 3-4, Estonia.

CIS News - March 2021

For questions or comments or to be featured on our next edition, please contact our team at SecretariatCIS@oecd.org

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