



Ministry of Finance

Money Wise

Consumer Finance and Financial Literacy in the Digital Age

CO-HOSTED BY BULGARIA

WORKSHOP SCENARIO, 25 November 2021



**Annual Meeting on
Consumer Finance and Financial Literacy in the Digital Age**

Opportunities, Challenges and Policy Implications for South
East Europe

Technical Assistance Project for Financial Education in the Constituency Programme of the
Netherlands' Ministry of Finance

**WORKSHOP ON DIGITAL FINANCIAL EDUCATION
DELIVERY
SCENARIO**

25 November 2021, 12.50 - 13.50 CET

via Zoom

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Format of the workshop

The workshop will consist of three breakout sessions to provide an opportunity for SEE policy makers and experts to engage in interactive exchanges in order to share experiences on a pre-defined set of issues outlined below.

The workshop will begin with presentations on the issues to be touched upon during the breakout group discussions.

Participants will engage in open and interactive exchanges on each breakout topic in order to draw conclusions and practical recommendations on how digital financial education can improve financial literacy and sustain financial resilience in South East Europe. In doing so, they are invited to draw on their country experiences, contexts and challenges as well as the relevant good practice examples provided during the preceding sessions of the annual meeting.

A plenary session will take place after each breakout session where rapporteurs will present the takeaways, conclusions and potential recommendations on each topic.

Virtual breakout rooms and groups

Participants will be included in breakout rooms on a random basis, in line with previous practice. The organisers have taken the liberty to proceed in this way in order to avoid a potential imbalance among sessions and ensure that the organisation proceeds effectively, limiting potential technical challenges.

Participants will have exposure to the main points made during all workshop sessions thank to the reports and the discussion which will take place at the final plenary session.

12:50-13:20, Presentations

- Three experts will make 10-minute presentations on the respective topics of the break-out sessions in order to share knowledge and experiences which could help elicit a discussion
- All power point presentations will be shared with participants after the workshop.

13:20-13:40, Breakout discussions

- The OECD will describe the format of the workshop and proceed with the opening of three virtual breakout rooms.
- The OECD will assign and move each participant to one virtual room where group discussion will take place.
- Each virtual room will have a moderator
- S/he will then introduce a set of questions for discussion (see respective sections below) and moderate the debate

- Each breakout group will examine a number of questions introduced by the moderator
- Participants are invited to actively participate in the discussion, i.e.:
 - Provide examples from their country experiences to illustrate their answers to the questions for discussion
 - Raise additional questions or discussion points relevant to the topic
 - Identify good practices and measures to consider implementing in the region (based on original ideas, experiences from SEE countries and INFE members)
- Participants will have 20 minutes to discuss each topic.
- A rapporteur appointed by the group will take notes and prepare a 5-minute summary of discussions.
- The names of the rapporteurs will be submitted to the moderator of the plenary

13:40 -14:00, Reporting and plenary discussion

- Participants will be invited back to the plenary room for a final discussion
- The moderator of the plenary will invite each rapporteur to present (3-5 minutes per session)
 - a summary of the discussions in each breakout room and
 - relevant conclusions and measures could be considered by policy makers and practitioners in the region
- Participants will engage in a Questions & Answers session
- The moderator of the plenary will highlight key takeaways and close the session

Breakout Session 1: Internet websites and Domestic One-Stop-Shop Platforms

13:20 – 13:40

Good practices in developing and using Internet websites and domestic one-stop-shop platforms for financial education

Moderator: Elena Miteva, Senior Economist, Consumer Finance, Insurance and Pensions, OECD

General discussion

Designation of a rapporteur.

- The Moderator will ask participants to volunteer and selects a rapporteur who will summarise the discussions of this breakout session at the plenary which will conclude the workshop
- The Moderator will also emphasise that the breakout session is an opportunity to continue building a network spirit among project countries so that they could exchange with each other when they undertake new initiatives and build on each other's insights and experiences
- The Moderator will also draw attention to the OECD relevant work which has been listed on the meeting and workshop agenda as a source of useful examples, good practices and lessons from relevant work of INFE members.

Taking into account the experience of their country/institution as well as presentations made during the meeting, participants will discuss and answer the questions outlined below and bring about additional issues they may find relevant. Concrete examples are most welcome.

- Do you have financial education websites and which institutions are hosting them?
- What are / could be the goals of financial education websites and what types of content do they usually offer?
- What types of content could be included on financial education websites?
- What social and demographic groups do / could websites target and how?
- How do you / could you attract financial consumers to existing websites?
- What key challenges can be expected in developing effective Internet websites and national one-stop-shops?
- What are the limitations of Internet platforms and how can they be addressed?
- Did you use existing digital financial education websites/platforms in response to the COVID-19 pandemic and how?

- Did you carry out any evaluation of your experience with Internet website / one-stop shop platform for financial education and what is the outcome?
- What key conclusions and recommendations for the successful design and use of such platforms could be drawn for the benefit of policy makers and stakeholders from the region?

The moderator will thank participants and close the discussion at 13:40 when everyone will be directed to the plenary session.

Breakout Session 2: Digital Content Development

12:50 – 13:40

Digital content development: target group needs, trainers and behavioural nudges

Moderator: *Rossitza Wartonick, CEO, Financial Literacy Initiative Foundation, Bulgaria*

General discussion

Designation of a rapporteur.

- The Moderator will ask participants to volunteer and selects a rapporteur who will summarise the discussions of this breakout session at the plenary which will conclude the workshop
- The Moderator will also emphasise that the breakout session is an opportunity to continue building a network spirit among project countries so that they could exchange with each other when they undertake new initiatives and build on each other's insights and experiences
- The Moderator will also draw attention to the OECD relevant work which has been listed on the meeting and workshop agenda as a source of useful examples, good practices and lessons from relevant work of INFE members.

Taking into account the experience of their country/institution as well as presentations made during the meeting, participants will discuss and answer the questions outlined below and bring about additional issues they may find relevant. Concrete examples are most welcome.

- Engagement: How to gain and retain attention of the audience in the world of constant digital "noise"?
- Resources: How to ensure long-term availability of resources –human, financial, organizational?
- Assessment: How to evaluate the behavioral change? Is it possible to single out the effect of a single educational intervention?
- Behaviour: How to influence on people's behavior –to prevent the risky one and to stimulate the positive one? What are the effective behaviour nudges?

The moderator will thank participants and close the discussion at 13:40 when everyone will be directed to the plenary session.

Breakout Session 3: Role and Experience of Non-Governmental Stakeholders

12:50 – 13:40

Private sector, NGOs and Academia: Role and Experiences with Digital Financial Education

Moderator: Georgi Penev, Director, Bulgarian Fintech Association

General discussion

Designation of a rapporteur.

- The Moderator will ask participants to volunteer and selects a rapporteur who will summarise the discussions of this breakout session at the plenary which will conclude the workshop
- The Moderator will also emphasise that the breakout session is an opportunity to continue building a network spirit among project countries so that they could exchange with each other when they undertake new initiatives and build on each other's insights and experiences
- The Moderator will also draw attention to the OECD relevant work which has been listed on the meeting and workshop agenda as a source of useful examples, good practices and lessons from relevant work of INFE members.

Taking into account the experience of their country/institution as well as presentations made during the meeting, participants will discuss and answer the questions outlined below and bring about additional issues they may find relevant. Concrete examples are most welcome.

- In your countries, what role does the private sector play in delivering financial education to different target groups?
- What objectives can be reached through financial education initiatives carried out by the private and non-governmental sector and how?
- How do stakeholders in your country ensure that these initiatives avoid duplication, and rather complement and reinforce each other? Do you have any relevant experience in this respect?
- Are there any guidelines, codes of conduct or other voluntary mechanisms put in place to avoid potential conflicts of interest in the delivery of financial education by private and not-for-profit stakeholders?

- What digital financial education initiatives are stakeholders implementing and what are some of the current gaps in your country? What limits and challenges do you see in the provision of digital financial education?
- What is your experience with the assessment of digital financial education initiatives?
- What key lessons can be drawn on this basis and what good practices could be identified and submitted to the attention of policy makers and practitioners in the region?

The moderator will thank participants and close the discussion at 13:40 when everyone will be directed to the plenary session.

Plenary session

13:40 – 14:00

- All participants will reconvene in the plenary room to debrief on their respective discussions in the breakout rooms
- The moderator of the plenary will ask the moderators to announce the names of the rapporteurs of each session.
- The moderator of the plenary will invite each rapporteur to present (3-5 minutes per session)
 - a summary of the discussions in each breakout room and
 - relevant conclusions and measures could be considered by policy makers and practitioners in the region
- Participants will engage in a general discussion in order to ask questions, share experiences, make comments and provide potential recommendations
- On this basis, participants are also welcome to share ideas for potential follow-up work in the framework of the Technical Assistance project
- **The moderator of the plenary will highlight key takeaways emerging from the plenary session presentations and discussions, and close the session.** The moderator will encourage participants to use the OECD-INFE resources mentioned at the end of the agenda and in this Workshop scenario as a practical resource with detailed analysis, recommendations and a plethora of good practice experiences. Project countries have been very active and have shown that digital financial education initiatives are proliferating at a high pace. They could feel confident that they now form a network of like-minded and skilled partners and can turn to each other for advice and peer exchanges when they develop digital financial education initiatives and support the greater access and use of digital financial services and products. In the future, drawing on the workshop discussions, the Secretariat will liaise

with project countries to define opportunities for support under the Technical Assistance project

Relevant OECD Work

[G20/OECD-INFE Report on Supporting Financial Resilience and Transformation through Digital Financial Literacy \(2021\)](#)

This report discusses the concept of financial resilience and its relationship with financial inclusion, financial literacy and financial well-being. It offers a wide range of case studies looking at the role of digital financial education initiatives addressing financial resilience and vulnerability. It proposes set of effective approaches describing how the digital financial education programmes can support individual financial resilience and long-term well-being. The effective approaches complement the provisions of the OECD Council Recommendation on Financial Literacy, which was welcomed by G20 Finance Ministers and Central Bank Governors on 9-10 July 2021.

The effective approaches and lessons learnt presented in this report have provided input for the development of the G20 Menu of Policy Options for digital financial literacy and financial consumer and MSME protection "Enhancing digital financial inclusion beyond the COVID-19 crisis" developed by the GPFI.

This report was prepared in support of the agenda of the G20 Global Partnership on Financial Inclusion (GPFI) under the G20 Italy Presidency 2021, as well as part of the work of the OECD International Network on Financial Education (OECD/INFE). The report reflects inputs and guidance from GPFI member countries, Implementing Partners, Affiliated Partners and other key stakeholders, and particularly members of the OECD/INFE, via an extensive consultation process.

[Digital Delivery of Financial Education: Design and Practice \(2021\)](#)

The importance of the digital delivery of financial education is growing in parallel with the digitalisation of our societies and economies. Individuals increasingly make use of digital technology in their lives and expect higher levels of personalisation and easier access to content. Digitalisation is potentially enabling public authorities to reach wider audiences and increase the impact of their financial literacy programmes and policies.

The measures implemented to contain the COVID-19 pandemic have made the role played by digital tools even more relevant - and often necessary - to help ensure that all target audiences, in particular those most affected by the economic consequences of the crisis, have access to financial literacy resources. It is now more important than ever to ensure that the innovative use of digital technologies in the field of financial education effectively contributes to increasing financial resilience and well-being, and that governments design and implement effective digital financial education initiatives.

This report, building on over 70 case studies from members of the OECD International Network on Financial Education, contributes to a better understanding of how public authorities worldwide are designing, delivering and evaluating digital financial education initiatives, and prepares forthcoming work on the development of high-level international guidance on the digital delivery of financial education.

[G20 GPFI Advancing the Digital Financial Inclusion of Youth \(2021\)](#)

This report on has been prepared for the G20/GPFI by the OECD under the Saudi Presidency in 2020. The focus on youth reflects the fact that almost half of the world's 1.2bn young people aged between 15-24 remain unbanked. The

report examines the factors that contribute to youth financial inclusion and the role of digital financial services in meeting young people's financial needs. It then explores opportunities and challenges relating to advancing youth digital financial inclusion. The report sets out a range of options for policy makers based on data, research and country approaches, to help advance the appropriate and safe digital financial inclusion of young people, including ensuring appropriate financial consumer protection and financial education. These policy options form part of the basis for the G20 High Level Policy Guidelines on Digital Financial Inclusion for Youth, Women and SMEs.

Advancing the Digital Financial Inclusion of Youth reflects inputs and guidance from G20 member countries, Implementing Partners, Affiliated Partners and other key stakeholders, particularly members of the G20/OECD Task Force on Financial Consumer Protection, FinCoNet, the OECD/International Network on Financial Education, the Arab Monetary Fund and the Alliance for Financial Inclusion, via an extensive consultation process.

[G20 High-Level Policy Guidelines on Digital Financial Inclusion for Youth, Women and SMEs \(2020\)](#)

The G20 High-Level Policy Guidelines on Digital Financial Inclusion for Youth, Women and SMEs (HPLGs) provide sets of featured policy options targeting financial inclusion gaps for youth (subject to child protection frameworks where relevant), women and SMEs through digital financial services. Their goal is to help reach conditions in which all people can live, work and thrive; as well as utilize and share benefits of innovations and digitalization. The G20 High-Level Policy Guidelines are supported by three reports: (1) Advancing the Digital Financial Inclusion of Youth; (2) Advancing Women's Digital Financial Inclusion; and (3) Promoting Digital and Innovative SME Financing. The supporting reports emphasize the importance of fostering responsible finance through increased access to digitally enabled financial services as well as addressing relevant cross-cutting issues, including financial consumer protection and financial literacy.

[Digital Disruption and Financial Markets \(2019\)](#)

The financial sector has been the object of many innovations in recent years, with significant impact on consumers and on regulation. Retail banking is no longer solely branch-based, but can be conducted in many ways, including using mobile telephones. Banks have had to adapt their business models to deal with persistently low interest rates, low credit growth, and increasing competition in retail from FinTech and platform-based competitors, all which threaten the profitability of traditional banks. The use of algorithms, big data, blockchain, peer-to-peer lending and crowdsourcing, means that the role of the intermediary is changing: banks now face competition from other intermediaries in their core business. Digital disruption is changing the provision of services in the sector, but may also be solving some of the previous competition problems in financial markets, such as high switching costs, or high transaction costs.

Traditional banks have seen parts of their core business – ranging from payment services and credit to advisory services – encroached upon by digital competitors. The advantage held by FinTechs is that they can use state-of-the-art technology, operate a leaner business and focus on those business segments with higher returns. They also face disadvantages, such as a lack of reputation and brand recognition, the absence of a customer base, limited access to capital markets, and a starting point with not much information about customers in general. Now other players are also entering the market for financial services, namely the BigTechs: Apple and Google, but also retail

giants such as Amazon and Tesco, are moving into the provision of financial services. BigTechs can use data garnered from clients, combined with their leading edge in the application of digital technology and artificial intelligence. On the other hand, the competitive impact of a third party's right to access bank account data by virtue of open access regulation offers an opportunity to reflect on the competitive value of an economy based on the free-flow of data and on how to ensure a level playing field among competitors.

Historically, financial markets have seen tension between competition and stability. Regulation has not always been adequate to ensure stability and has periodically been superseded by innovations. The roundtable will delve deeper into the question of the degree to which digital disruption from FinTech and BigTech will impair stability and thus, whether these players need a different type of regulatory oversight. It will also discuss the degree to which better regulation can solve the conundrum of competition-versus-stability, and whether a middle ground exists. The roundtable will also debate whether new actors from FinTech and BigTech create systemic risks similar, or indeed different, to those inherent in the traditional banking model. Should BigTech be regulated as a financial services provider, or differently?

[G20 - OECD/INFE Policy Guidance Note on Digitalisation and Financial Literacy \(2018\)](#)

The digitalisation of financial products and services, and the consequent need to strengthen digital financial literacy has become an important component of the global policy-making agenda. This guidance aims to identify and promote effective initiatives that enhance digital and financial literacy in light of the unique characteristics, advantages, and risks of digital financial services and channels.

[Policy Guidance Note on Financial Consumer Protection Approaches in the Digital Age \(2018\)](#)

Given the increasingly digital environment for financial products and services and the potential for digitalisation to support greater financial inclusion and inclusive growth, the need for effective financial consumer protection is more important than ever. It is equally important that the policies and approaches developed and adopted by financial consumer protection authorities need to evolve and adapt in line with the environment.

This policy guidance is for consideration by policy makers responsible for the implementation and application of key elements of the G20/OECD High-Level Principles on Financial Consumer Protection in a digital environment and G20 High-level Principles on Digital Financial Inclusion with respect to principle 5. It focuses on areas related to the role of oversight bodies and disclosure and transparency.

This document is complemented by G20/OECD INFE Policy Guidance on Digitalisation and Financial Literacy.

[G20 High-level Principles on Digital Financial Inclusion \(2016\)](#)

The G20 stands at an unprecedented time when our leadership has the potential to drive the growth of inclusive economies by promoting digital financial services. Two billion adults globally do not have access to formal financial services and are excluded from opportunities to improve their lives. While tremendous gains in financial inclusion have already been achieved, digital financial services, together with effective supervision (which may be digitally enabled), are essential to close the remaining gaps in financial inclusion.

Digital technologies offer affordable ways for the financially excluded—the majority of whom are women— to save for school, make a payment, get a small business loan, send a remittance, or buy insurance. The 2010 G20 Principles for Innovative Financial Inclusion spurred initial efforts and policy actions. These 2016 High Level Principles for Digital Financial Inclusion build on that success by providing a basis for country action plans reflecting country context and national circumstances to leverage the huge potential offered by digital technologies.

[G20/OECD High-Level Principles on Financial Consumer Protection \(2011\)](#)

The principles are addressed to G20 members and other interested economies and are designed to assist the efforts to enhance financial consumer protection. They are voluntary principles, designed to complement, not substitute for, existing international financial principles or guidelines. In particular, they do not address sector specific issues dealt with by the relevant international organisations and the financial standard setters (such as BCBS, IAS and IOSCO). Different kinds of transactions present different risk profiles. The principles may need to be adapted to specific national and sectoral contexts and should be reviewed periodically by relevant international bodies. All G20 members and other interested economies should assess their national frameworks for financial consumer protection in the light of these principles and promote international co-operation to support the strengthening of financial consumer protection in line with, and building upon, the principles.



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