



**OECD-FSB OF SOUTH AFRICA
INTERNATIONAL CONFERENCE ON FINANCIAL LITERACY
“FINANCIAL EDUCATION FOR ALL”
27-28 OCTOBER 2011**

DAY 2 – Friday 28 Oct 2011

10:30-12:30

WORKSHOP 1 - Reaching out to young people : Financial education in schools
Challenges, operational solutions and impact evaluation

Facilitator: **Ms. Flore-Anne Messy**

Secretary of the International Network on Financial Education (INFE), Principal Administrator, OECD

Lead-off interventions and commentators:

Mr. Lyndwill Clarke

Manager of Formal Education, Consumer Education Department, Financial Services Board, South Africa

Mr. Vasco Cavalcanti

Head of Department, Securities and Exchange Commission of Brazil (CVM)

Mr. G. P. Garg

Chief General Manager, Securities and Exchange Board of India (SEBI).

FRAMEWORK OF THE WORKSHOP

Workshop objectives

Based on already identified International (OECD and its INFE) guidelines, the workshop will be an opportunity to informally and openly explore, review and assess operational and on-the-ground techniques to design and implement efficient financial education programmes for youth and in schools.

Relevance of the issue

An increasing number of countries now recognise financial literacy as a core life skill needed to participate actively in today's societies and economies. Yet, most national (and international) surveys show that young generations tend to be poorly equipped and capable to appropriately deal with money matters. In this respect, schools have been considered by many stakeholders¹ as an efficient and equitable tool in order to build sound financial habits for a large share of the population. A growing number of countries have therefore sought to include financial education, to various extents, in school curricula. Such endeavours are however often faced with significant barriers including:

- Lack of political willingness and commitment;
- Overcrowded curricula;
- Insufficient expertise and appetite for personal finance amongst teachers and the education system;
- Lack of agreement on a financial education learning framework;
- Lack of resources and materials; and,
- Lack of impact evaluation and evidence.

¹ See OECD 2005 Recommendation on Principles and Good Practices for Financial education and awareness and wide INFE stock take exercise.

Existing OECD/INFE international guidelines

In this context, the OECD International Network on Financial education (INFE)² decided in 2008 to further explore these issues through an expert subgroup on financial education at school. The subgroup has finalised this year a first part of its work which resulted in the elaboration of:

- A survey of relevant case studies in order to overcome main abovementioned challenges,
- Guidelines on most efficient modalities for the introduction of financial education in schools,
- Complementary Guidance on learning framework on financial education based on a survey of existing learning framework.

In addition, the OECD has introduced a financial literacy component in its 2012 Programme for International Students Assessment (PISA) exercise. This will result in the collection of unique cross comparable international evidence and the development of an analysis of the level of financial literacy of 15 year old students in countries participating in the exercise³.

The main INFE findings confirm that there is no single recipe for success, especially since education systems and countries' context vary greatly. However, countries which have made the most progress adopted the guidelines supported by the OECD and its INFE, including:

- *Financial education in schools should be part of a coordinated national strategy.* The strategy should have a visible leader or co-ordinating body, to ensure relevance and long term sustainability. The education system and profession should be involved in the development of the strategy.
- *There should be a learning framework,* which sets out goals, learning outcomes, content, pedagogical approaches, resources and evaluation plans. The content should cover knowledge, skills, attitudes and values. The framework can be national, regional or local.
- To the extent possible, a sustainable *source of funding* should be identified at the outset.
- *Financial education should start as early as possible,* ideally from the beginning of formal schooling, and carry on until the end of the students' time at school.
- *Financial education should ideally be a core part of the school curriculum.* It can but does not need to be taught as a 'stand alone': integration into other subjects like mathematics, economics, social science or citizenship can also be effective. Financial education can give a range of 'real life' contexts across a range of subjects.
- *Teachers should be adequately trained and resourced,* including awareness of the importance of financial literacy and pedagogical methods, and receive *continuing support and training.*
- There should be easily accessible, objective, high quality and effective *learning tools and pedagogical resources* available to schools and teachers that are appropriate to the level of study.
- Students' progress should be *assessed* and their achievements recognised.
- Level of *financial literacy* of students should be evaluated (including through the OECD Programme for International Students Assessment on financial literacy).

In this context, through an open peer exchange and dialogue, the workshop is expected to allow reviewing and assessing how countries with different settings have considered and implemented these guidelines thereby paving the way for the identification of alternative implementation options and practices.

² As of October 2011, the OECD INFE includes 91 economies and around 200 public institutions.

³ Australia, Belgium (Flemish Community), Brazil, Shanghai-China, Colombia, Croatia, Czech Republic, Estonia, France, Israel, Italy, Latvia, New Zealand, Poland, Slovak Republic, Slovenia, Spain and United States.

Workshop format

The workshop will be articulated around the following elements with a view to allow an open discussion and sharing of experience amongst workshop participants:

1. *Introduction by the facilitator – 10'*
General framework of the workshop, its context and format.
2. *Interventions of three lead-off speakers/commentators*
Lead-off speakers/commentators will present the topic from their view points and experience, identifying the main challenges and how they addressed them.

Facilitated discussion amongst workshop participants

Participants in the workshop as well as commentators should be ready to comment on lead off speakers interventions, share their experience, the main challenges faced in their countries, good and bad experiences as well as efficient practices based on the guidelines highlighted above and their own views.

3. *Wrap-up and next steps by the facilitator – 5'*

Getting prepared - Supporting material

Registered participants to the workshop will be provided with the access to the following documents developed by the OECD and the INFE and soon to be made publicly available. This material will support the workshop discussion. In turn, the informal workshop peer exchange and dialogue should help in identifying avenues for future work on financial education at school by the OECD/INFE and inform the development of implementation guidance and further evidence on the impact of financial education in schools.

See International Gateway for Financial Education at www.financial-education.org for:

- OECD Recommendation on Principles and Good Practices for Financial Education and Awareness (2005),
- PISA 2012 Financial Literacy Framework,
- Examples of financial education programmes in schools.

Electronic versions of the following documents will be sent ahead of the Workshop to registered participants:

- Guidelines on Financial Education at School and Guidance on Learning Frameworks,
- Financial Education Programmes in Schools – Case Studies Report,
- Financial Education Programmes in Schools – Comparative Analysis of Selected Financial Education Learning Frameworks.

Contact person: Ms. Flore-Anne MESSY (flore-anne.messy@oecd.org).