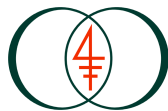


JIS RAPID RESPONSE MEMORANDUM



BENCHMARKS FOR FINANCIAL LITERACY EDUCATION

EXECUTIVE SUMMARY

Financial services markets require consumers to be more financially literate to manage their finances effectively. Studies have shown that, around the world, many people are financially illiterate. To solve this problem, a large number of financial literacy programs are implemented worldwide across the population as a whole and in specific groups.¹ Because financial literacy is so important, the Governments of many countries have prepared National Financial Literacy Strategies. The OECD and its International Network on Financial Education (INFE) conducts research and develops tools to support policy makers and public authorities to design and implement national strategies for financial education.²

So, the report discusses benchmarks in providing financial literacy education on two levels: organizational and country. National Financial Educators Council (NFEC) and Crown are among organizations successfully providing financial literacy education to different groups of population. Providing independent educational resources for financial education, promoting advocacy campaigns, setting standards, conducting research and sharing best practices are among their initiatives.³

United States, Canada and Australia are countries with high financial literacy rates. All three countries are implementing National Financial Literacy Strategies.⁴ Some of their initiatives include developing online resources and interactive tools for different population groups, teachers and small businesses; development of training modules for basic finance; implementation of community projects, public-private partnership projects, workplace training projects; development of educational websites for youth; resources for schools and post-secondary education institutions; support for research in the area; promotion of special events;

¹ Andrew Worthington, "Financial Literacy and Financial Literacy Programs in Australia," Griffith University, Discussion Papers Finance, May 2013, 6 Oct. 2018 <<https://www120.secure.griffith.edu.au/research/file/e1d4703a-afbe-40f8-9414-cb3f84121c04/1/2013-05-financial-literacy-and-financial-literacy-programs-in-australia.pdf>> 1.

² "National Strategies for Financial Education," OECD, 2018, 4 Oct. 2018 <<http://www.oecd.org/daf/fin/financial-education/nationalstrategiesforfinancialeducation.htm>>.

³ "Your Personal Finance Company," National Finance Educators Council, 2018, 5 Oct. 2018 <<https://www.financialeducatorsCouncil.org/personal-finance-company/>>.

⁴ Leora Klapper, Annamaria Lusardi, and Peter van Oudheusden, "Financial Literacy Around the World: Insights from the Standard & Poor's Rating Services Global Financial Literacy Survey," GFLEC (Global Financial Literacy Excellence Center), 2015, 5 Oct. 2018 <http://gflec.org/wp-content/uploads/2015/11/3313-Finlit_Report_FINAL-5.11.16.pdf?x87657> 23, 25.