

# Financial Education Programs: the Experience of the Bank of Italy

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Regional Central Banking Seminar on  
Communication: Why Should Central Banks Care  
about Economic Education?  
14-15 September 2018 | Istanbul, Turkey

# 1 – Consumer protection

## An integrated approach

Bol FE policy

# 2 – From policy to practice

A recipe for effective FE

Three conditions to success

Who? What? How?

# 3 - Adults

Adults financial literacy

The role of communication

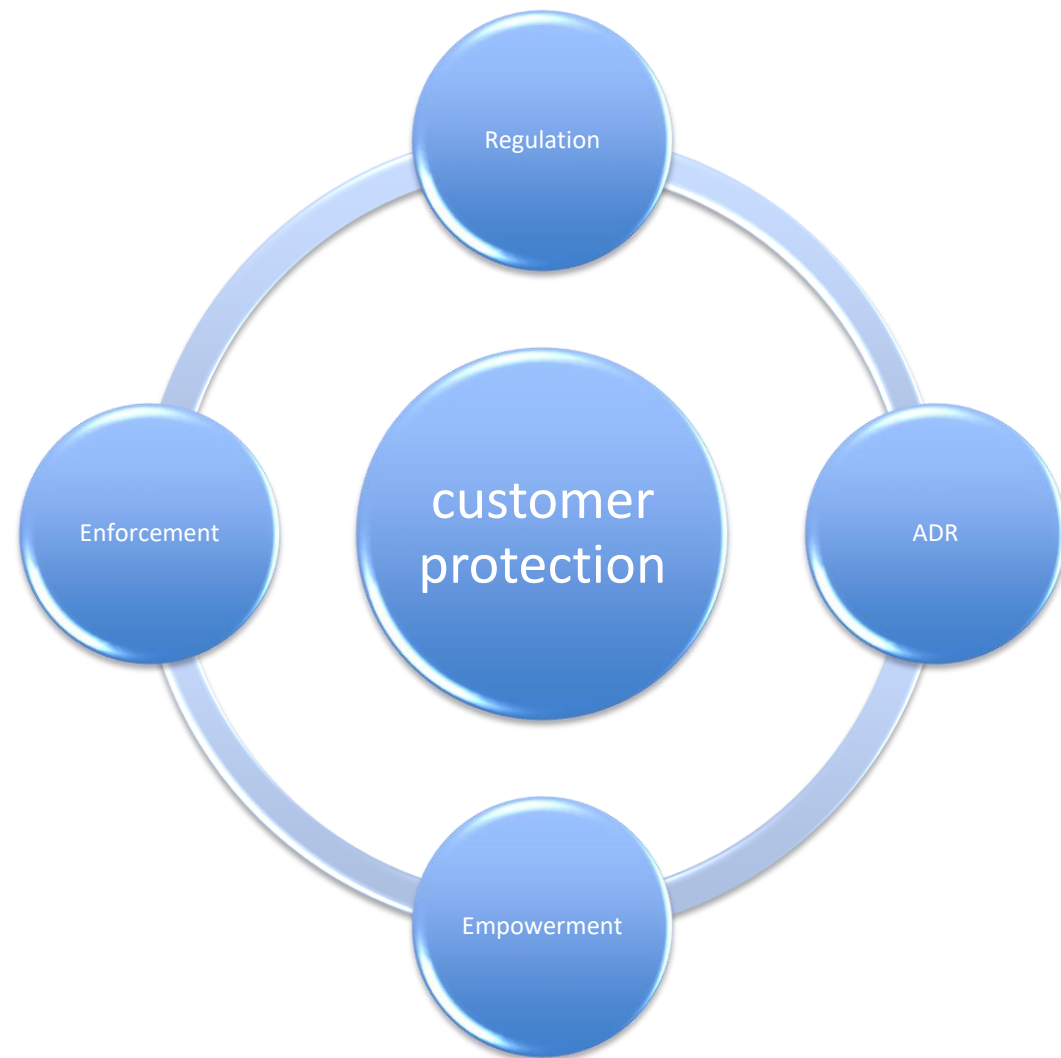
The web site

Targeted programs

# 4 - Students

Initiatives

FE at school



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The Bank [of Italy] promotes financial education since customers with greater knowledge of financial issues...

- have a better understanding of the risks and advantages of the products on offer
- make more informed decisions about borrowing, saving and pensions
- [and] help to create a more inclusive efficient and stable market.

Bol Supervisory tasks – [www.bancaditalia.it](http://www.bancaditalia.it)

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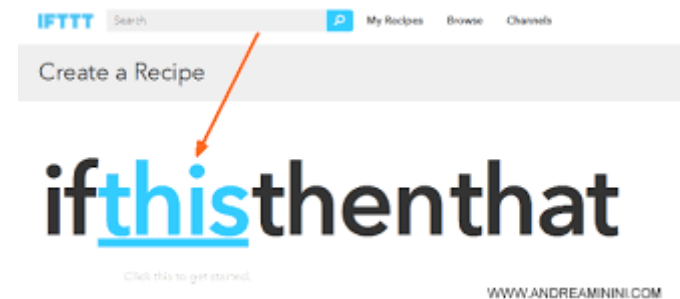
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- Improve key financial competencies
- Take a long-term perspective
- Ensure educational soundness
- Develop effective methodologies
- Conduct assessments and evaluations



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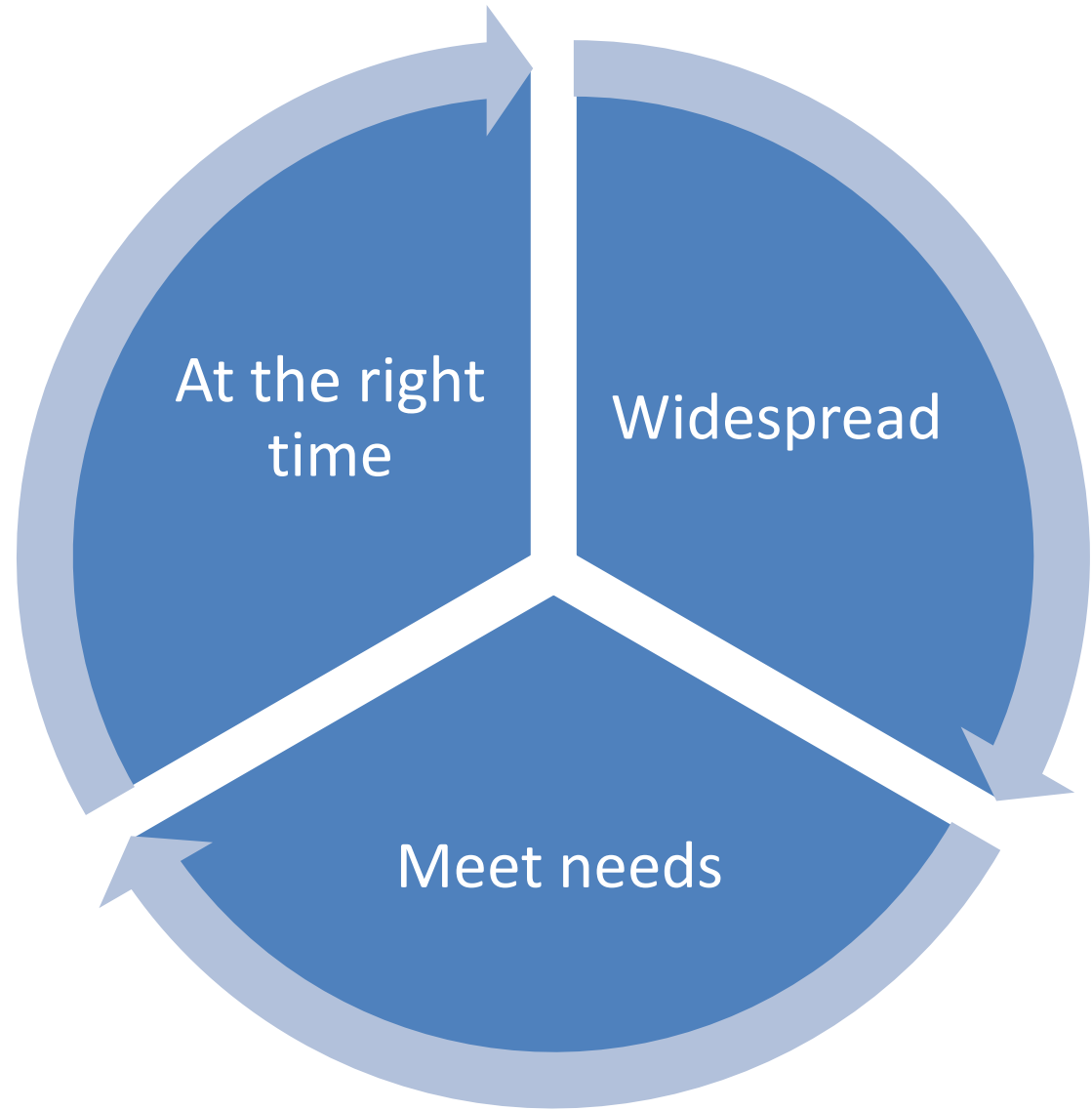
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### **Adults financial literacy**

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- Financial literacy is a strong determinant of financial inclusion
- Financial literacy can be improved by policy intervention
- There is no widely accepted framework to measure FL

OECD has launched a project to create an internationally comparable dataset on Financial Literacy levels.

A blueprint questionnaire has been developed by the International Network for Financial Education (OECD -INFE)

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Tree conditions to success

Hho? What? How?

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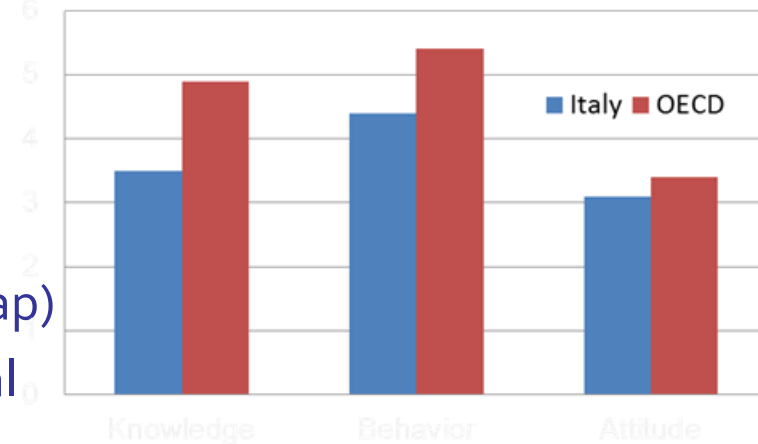
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- Questionnaire based on the OECD/INFE toolkit (2017)
- Evidence shows:
- Very low level of basic knowledge
- (with significant gender gap)
- Low level of the behavioral score (Italian households don't usually have a budget and are reluctant to buy financial product/services)
- However, the attitude score is close to the OECD average
- Useful to identify target (such as overconfident people) and educational needs



There is a need for financial education





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In our experience (and also according to the OECD research) communication helps FE effectiveness from at least three different perspectives

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A recipe for effective FE  
Tree conditions to success  
Hho? What? How?



- creating awareness and engaging the general public (mass media and advertising campaigns)

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## The role of communication

The web site



- disseminating knowledge on basic financial issues (the school - a centralized credible and impartial website)

Targeted programs

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- Engaging (target groups) on specific topics (web-based and other interactive tools)



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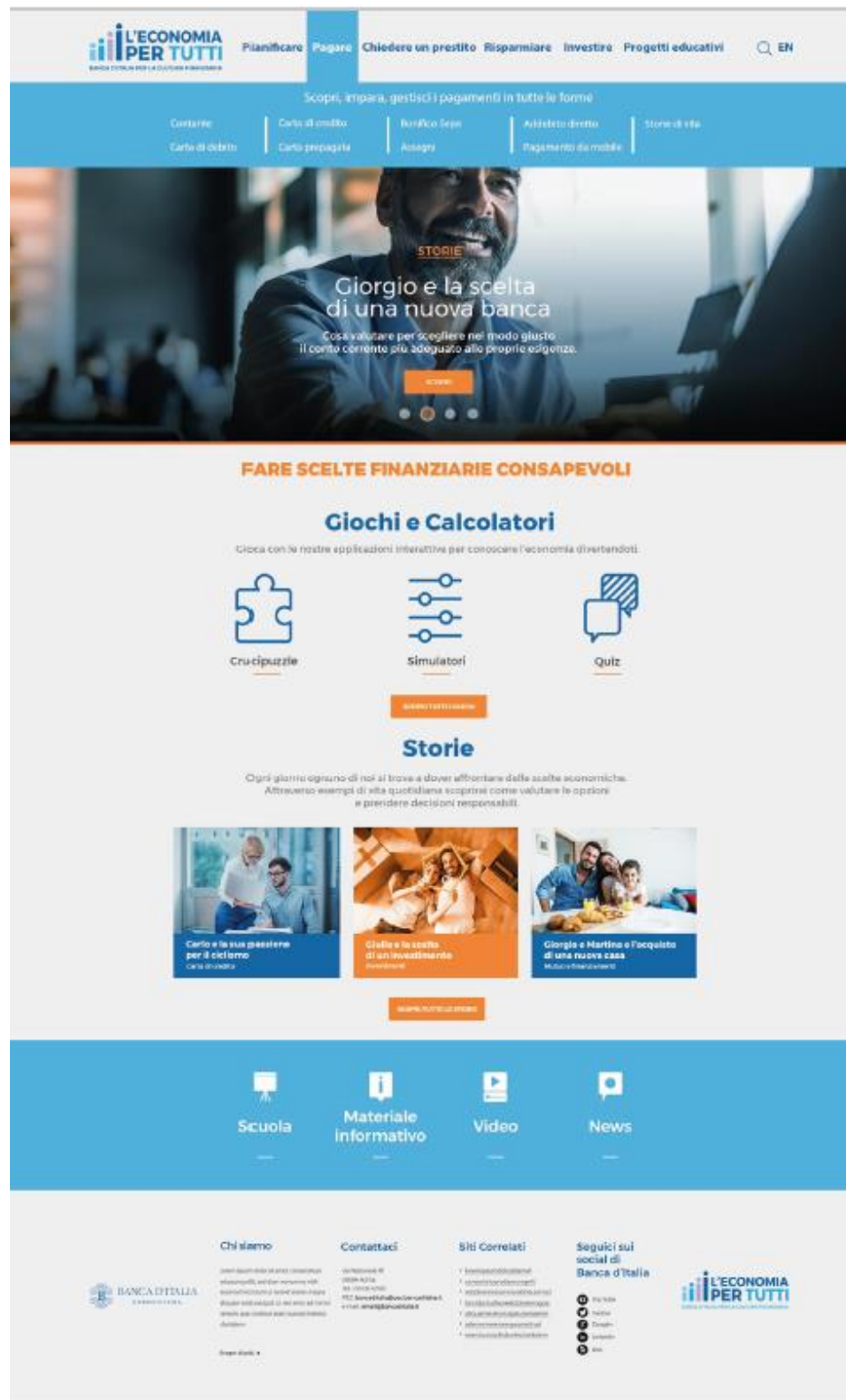
# The web site

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HEADER

SLIDER

TAGLINE

SEZIONE TOOLS

STORIE

ALTRE SEZIONI

FOOTER

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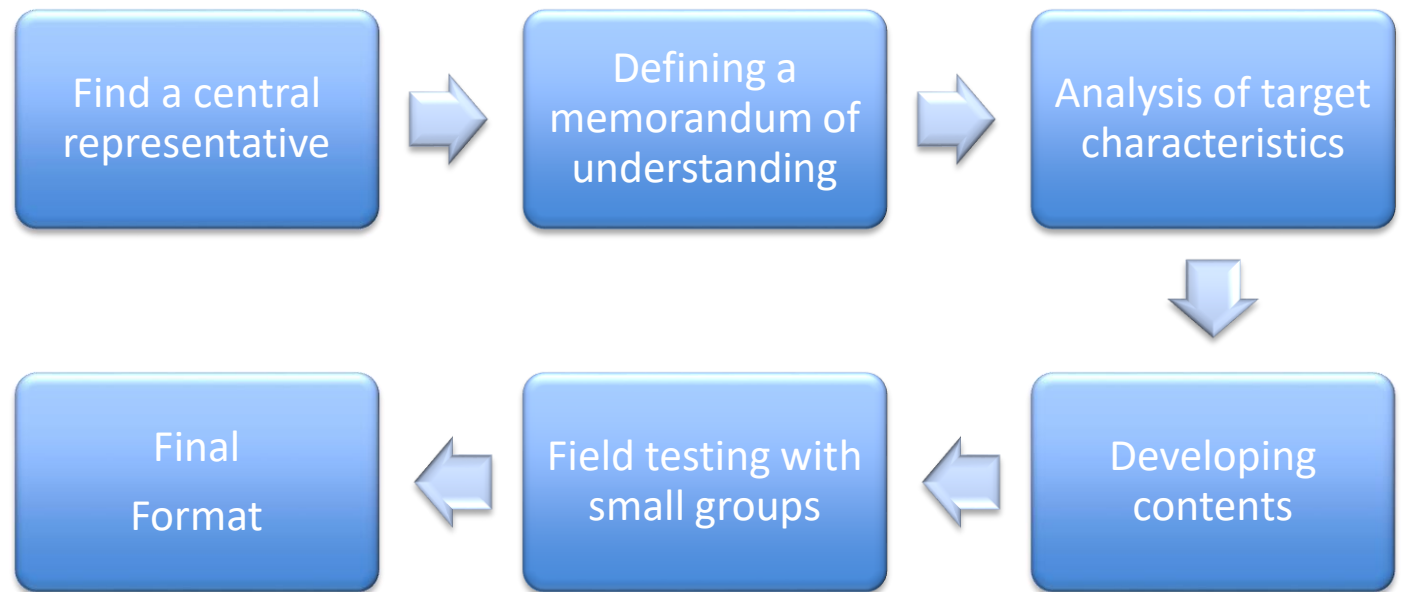
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- Financial Education is complex
  - The “right” solution for one customer could not be necessarily right for another one
  - Decision making can be affected by a host of biases, heuristics, and emotional states
- Financial Education initiatives are costly

It is important to use [limited] resources only for effective Financial Education initiatives, **initiatives that improve well-being**

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- Women



- Migrants
  - Adult Education Centers (CPIA)



- Small and Micro-Enterprises
  - Chambers of Commerce



- Senior citizens



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## Why school students?

- ❑ Reach, almost, the whole youth population, regardless of the social class or other factors
- ❑ At school students are more keen on learning which may contribute to the effectiveness of our financial education initiatives
- ❑ Financial education is not a mandatory part of the school curriculum in Italy



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Financial education at school (FEaS)

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Let's design a banknote

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Generation €uro Students' Award



Global Money Week

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## Joint initiative with the Ministry of Education

- ❑ Teachers participate on a voluntary basis
- ❑ All schools levels: from primary to high school
- ❑ Approach: Train the trainers

Advantages



Disadvantages



- teachers are better at teaching
- reach a high number of students
- it is not possible to control how teachers actually teach financial education.



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## Teacher's tips

We gather information on the degree of teachers' involvement and satisfaction:



- ❑ Strengths: training by Bol's Branches

- ❑ Weaknesses: lack of time



- ❑ Tips received: deepen the treatment of

- The role of banks in the economy

- Saving and investment

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## Future developments

### What's new?

- ❑ Pedagogical experts
- ❑ Develop competencies (knowledge, skills, attitudes)
- ❑ Up to 7 different topics
- ❑ Teacher's guide

Graphic novel (comics) and graphic news.





THANK YOU  
FOR YOUR ATTENTION

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