BEST PRACTICES IN FINANCIAL EDUCATION FOR YOUTH
Cases From Central Europe
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We thank you all for your invaluable support which helped us deliver the results reported herein.
The current report was compiled by Child & Youth Finance International (CYFI) Secretariat team. The preparation of the report has become possible because of the financial support of the International Visegrad Fund (IVF), and has taken place within the framework of the project CYFI has implemented with 9 project partners in the period between September 2015 and October 2016.

CYFI would like to thank its project partners from Visegrad countries for sharing their experience and practices from their countries that has served as a basis for the current report: Microfinance Center (Poland), Institute of Banking Education of the National Bank of Slovakia, The Foundation for Improvement of Financial Culture (Hungary), European Financial Planning Association (Czech Republic), as well as other partners of the project from Eastern Partnership countries – National Youth and Children Palace of Georgia, Banking University (Ukraine), Institute of Educational Sciences (Moldova), Youth Entrepreneurship Support and Development Center (Belarus), Reliable Youth Future NGO (Azerbaijan).

Moreover, this report was developed due to the invaluable contributions of Dr. Miroslava Salavcová, Ministry of Education, Youth and Sports Czech Republic; Ms. Marta Gellova, EFPA-Czech Republic; Mr. Peter Szovics, Institute of Banking Education of the National Bank of Slovakia; Dr. Judith Toth and Elisabeth Vinceze, Foundation for Improvement of Financial Culture (Hungary).

We would like to thank Microfinance Center and Children of Slovakia Foundation for providing photos for the current report. Moreover, we would like to acknowledge and extend special gratitude to CYFI intern Lotte Cloostermans, who has provided invaluable contribution for this project and the current report.

The importance of financial education, particularly for the target group of children and youth, has long been recognized as one of the key dimensions of increasing financial capability for the next generation, and has been at the heart of the work for many international, regional and national organizations. Financial education is a core component of CYFI’s Concept of Economic Citizenship Education (alongside social and livelihoods education), and promoting financial education strategies and policies for young people have been one of the key dimensions of CYFI work in the past five years.

Sharing best practices and experiences from different countries, regions and contexts is an essential part and value for the members of CYFI network, and although a lot of work has been done by CYFI, OECD/INFE and other organizations on documenting the best practices in financial education, there is still much that can be done in sharing and disseminating these practices. Europe remains the region with a very high interest for financial education, given growing complexity and sophistication of the financial markets, ageing population, increasing debt burden on the households and other factors1. There is also a growing number of best practices coming from many European countries, where we can clearly see an emphasis on the nationally coordinated approach to financial education and designing and on the implementation of national strategies for financial education. Many European countries moreover have already integrated financial education in the core compulsory school curriculum. For instance, according to OECD/INFE in 2015, more than half of the countries that were in the process of implementation of a national financial education strategy, were coming from the European region2.

Central European Countries have been among the pioneers in introducing financial education in the national curricula and also dedicating resources to the creation of national programs or of national strategies for financial education. Financial regulators in Hungary and Poland became leading authorities in promoting financial education in their countries since mid-2000s, while Czech Republic became one of the first countries in the region to integrate components of financial education in the compulsory school curriculum. Although highly successful, these examples are not widely documented at the international level. While implementing the project aimed at sharing experience between Central and Eastern European countries, CYFI and its project partners have noticed the lack of such documented cases about Visegrad countries, containing comprehensive information about the national policies, standards and program highlights with regards to financial education for young people.

Therefore, the current Report is aimed at briefly outlining the case for youth financial education practices in Czech Republic, Hungary, Poland and Slovakia, highlighting both national policies, strategies and main actors responsible for promotion of financial education on the national level, as well as specific projects aimed at young people.

The present Report can serve as a guide for policy-makers, NGOs, government officials, financial institutions and other stakeholders, who would like to learn more about national approaches to financial education in these four countries, as well as about specific programs initiated by governments, civil society and other stakeholders, aimed at increasing financial awareness and knowledge of the young generation.

The National Strategy for Financial Education was adopted in 2010 in Czech Republic as a primary legislation through the Ministry of Education, Youth and Sports and the Ministry of Finance, and aimed to reinforce the financial literacy of Czech citizens. The purpose of the policy is getting consumers to make informed and responsible decisions in the financial markets by raising information awareness, financial literacy and consumers’ positions in relation to the financial market players. Financial education priorities set by the Working Group that initiated the Strategy are: active behavior in the financial market, prevention of over-indebtedness and saving for pensions.

The Working Group for Financial Education led by the Ministry of Finance was established as a long-term independent discussion platform, which was set up to exchange information and experience in order to effectively cooperate in the area of financial education. The working group coordinates activities among all relevant stakeholders and its members represent government institutions, financial industry associations, consumer associations and education experts. Financial literacy falls within the competences of the Ministry of Finance and the Ministry of Education, Youth and Sports and is divided into three components: money literacy, price literacy and budget literacy.

OBJECTIVES & STRUCTURE
The National Strategy for Financial Education aims at increasing the financial

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<th>Financial education Working group members</th>
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<td>Consumer association SPES</td>
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<td>Ministry of Industry and Trade</td>
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<td>Association of Financial Intermediaries and Financial Advisers of Czech Republic</td>
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<td>Association of Pension Funds of the Czech Republic</td>
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<tr>
<td>Ministry of Finance</td>
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</table>

Table 1 – Financial Education Working Group members – Czech Republic

3 Information for the case of Czech Republic was contributed by the Ministry of Education, Youth and Sports of Czech Republic and European Financial Planning Association (Czech Republic).
literacy in the Czech Republic and enabling Czech consumers to work competently with information on the financial market to take care of their family’s needs. The strategy serves as a basis for defining common goals, general principles and means to reach them.

The strategy review sums up the overall contribution of financial education and its links to consumer protection issues in the financial market. Key priorities and principles are set out in a two-pillar structure. Roles are specified for effective cooperation of the actors, emphasizing the public administration entities. Recommendations and an action plan with detailed measures of the players targeting financial education are described in the strategy.

The two pillars of the Financial Education Strategy cover school education and lifelong education. The school education consists of curricula for primary and secondary school, focusing on the three financial education priorities set out by the Working Group. This new system presents more freedom on schools as opposed to the old system in which curricula set strict guidelines. There is, however, a set of financial literacy standards for high schools. The structure of this financial education framework is depicted in Figure 2.

**Figure 1 – Financial education framework for schools – Czech Republic**

**PISA RESULTS**
The Czech Republic scores above the OECD average-13 in financial literacy as can be seen in the table below and is ranked on the 6th place among participating countries. Availability of financial education is very high and scores second, right below the Slovak Republic, in the OECD-13 ranking. On the aspect of financial education integration into the school curriculum the Czech Republic also scores higher than average. The share of lowest performers is below the average and the share of top performers is very close to the average.

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<td>OECD average-13</td>
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<td>15.3%</td>
<td>9.7%</td>
<td>1</td>
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<td>Czech Republic</td>
<td>513</td>
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*Table 2 – PISA results Czech Republic*
MATERIALS & TEACHERS TRAINING
The “Catalogue of materials for the development of financial literacy” was designed by the Ministry of Education, Youth and Sports and other stakeholders primarily for teachers of primary and secondary schools who are in charge of implementing the integration of financial literacy components in their schools. The catalogue is aimed at both more and less experienced teachers, as well as there are materials for teachers of different specializations, as well as for the general public. Materials in the catalogue can be searched in three ways: by annotation, depending on the type of material or by author. Depending on the type of material, resources are categorized into several sections: strategic documents, textbooks and workbooks, professional, and popular non-fiction books, other teaching and methodological materials, glossaries etc. Materials were selected based on the following criteria: appropriateness for primary and secondary schools, the compliance with the curricular reform and Financial Literacy Standard of Czech Republic, timeliness, quality, personal good experience and last but not least availability.

The Czech National Bank offers support with books, as well as seminars, educating mostly elementary school teachers and high school teachers. A number of NGOs have assisted by publishing teachers’ manuals, worksheets, seminars and contests, such as the ‘Understanding Money’ project. Universities aided with a text book for pedagogical faculties.

ASSESSMENT & CHALLENGES
It was found that having a single coordinator is essential for the efficient managing of the national strategy implementation. Establishing the national working group turned out to be a useful tool for information and experience exchange as well as approval of strategic documents, and the working group is still meeting on a regular annual basis.

One of the challenges faced by the Czech Republic is the insufficiency of financial literacy skills among teachers. As a response to this, several actors have come into action to support the teachers by developing teaching materials for teachers.

CURRENT STATE OF AFFAIRS
As reported by the Ministry of Education, Youth and Sports, all students of primary and secondary schools are currently being reached by financial education in schools. Around 1.31 million pupils in primary and secondary schools study a year in Czech Republic.

The described components of financial literacy are a compulsory part of education in primary and secondary schools. Three kinds of programs of financial literacy are being implemented: for the 1st grade of primary school, for the 2nd grade of primary School, and for Secondary Schools.
EXAMPLE OF AN INITIATIVE

ORGANIZATION
Ministry of Education, Youth and Sports; Ministry of Finance & Association for Financial and Civic Literacy

PROJECT
Financial literacy competition

Financial literacy competition for school students is an important annual activity organized by Ministry of Education, Youth and Sports and NGO Association for Financial and Civic Literacy, supported by the Ministry of Finance as a coordinator of the national financial education strategy. The competition has 4 rounds – school, district, regional and national level, and has two categories – for the 2nd grade of primary school and for secondary schools. The school round contests individual pupils, followed by the top three of them forming a team that will represent the school at the subsequent rounds. National Finals run full-time at the Czech National Bank in Prague in the presence of the jury, media and spectators.

The final round of the national 6th Financial Literacy competition (2014/2015) was held in the spring of 2015 in the historic Clusters Emmaus in Prague. A total of 53,681 contestants competed for the title ‘Czech champion of financial literacy’ within two categories: 2nd grade elementary school pupils and high school students. By 2015 about 9,000 students had competed in the competition.

For more information about the National Financial Literacy Competition in Czech Republic please visit www.fgsoutez.cz
NATIONAL LANDSCAPE

In 2007 the Hungarian Government publicly recognized the importance of financial consciousness of the youth. The following institutions are active in the field of financial education in Hungary - the Ministry of National Economy, the Ministry of Human Capacities, Central Bank and the Central Education Office are responsible for financial education. The Central Bank of Hungary, the Ministry of Economics and the State Audit Office of Hungary have signed a cooperation agreement to jointly enhance the financial literacy in the country. However, there is no clear governance structure to regulate financial education on the national level, making it challenging to coordinate different projects and steer towards the achievement of central objectives. Components of financial literacy are included in the school curriculum since 2013, but no substantial block is reserved for purely financial education. Instead, it is built in other basic subjects. National initiatives for financial education include programs to improve consciousness and strengthen entrepreneurial skills, such as a forum to help teachers in education and a roadshow to discuss opinions and experiences of teachers. Aside from the national programs, there is a large number of very interesting and diverse private and civil society initiatives on financial education for young people in Hungary.

OBJECTIVES & STRUCTURE

The Money Compass Foundation (Pénziránytú Alapítvány) is one of the most prominent stakeholders involved in youth financial education in Hungary. The objective of the Foundation is creating support programs which increase financial awareness in households, present basic financial information and build financial capability, behavior and attitude. The organization was set up in order to concentrate the funds dedicated to financial literacy development and reinforce cooperation between non-profit organizations, market players, and governmental organizations. The Foundation was established in 2008 by the Hungarian Central Bank, the Hungarian Banking Association, and the Student Loan Centre and was later joined by the Financial Supervisory Authority and the Hungarian Competition Authority.

Money Compass Foundation has established a school system network, mainly for secondary school students. The program has several advantages:

- Training material is aligned to the National Curriculum;
- Accredited teacher trainings;
- Knowledge sharing: organizing conferences, workshops;
- Support/contribution with devices for e.g. tablets, books)

PISA RESULTS

Hungary did not participate in the 2012 PISA financial literacy assessment.

MATERIAL & TEACHERS TRAINING

Money Compass Foundation is one of the actors taking care of the preparation of the teachers. Their programs were developed to train the teachers about economy and finance. Participation is free of charge for the teachers and schools. In 2015 about more than 50 teachers participated in the trainings.

Foundation has prepared an educational textbook, as well as exercises and a handbook for teachers. The textbook consists of two main parts. The first part is about the everyday money and finance matters, where students can learn about budget, family budget, risks and returns, bankcard, loans, insurance etc. In the second part they learn about money and capital, business plan, financial intermediaries, bank system, inflation and the market players.

The OK Project and ELTE (Eötvös Lóránd University of Sciences – one of the biggest universities in Hungary) have been running Train the Trainers program for teachers since September 2012. This program helps teachers to prepare for the mandatory vocational examination. The program lasts for two semesters and during that time teachers have the opportunity to get prepared in financial and economical fields. The goal of the program is to help the teachers to obtain up-to-date knowledge to improve the financial literacy of the students. The following subjects are mandatory for teachers:

- The system of public education
- The role of instructor/educator
- Child protection
- Mental health of the pedagogue
- Conflict treatment
- Recognition, talent improvement.

ASSESSMENT & CHALLENGES

Although there is large amount of interesting and useful initiatives in the country tailored

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Information for the case of Hungary was provided by Foundation for Improvement of Financial Culture – Hungary (Alapítvány a Pénzügyi Kultúra Fejlesztésért)
to increase financial literacy of youth, there is a lack of nationally coordinated approach to the topic, and therefore a lack of coordination between various public institutions involved. As identified by the Hungarian Foundation for Improvement of Financial Culture (Alapítvány a Pénzügyi Kultúra Fejlesztésért), founded in 1991 by the International Training Center for Bankers, the National Bank of Hungary, the Hungarian Banking Association and the Ministry of Finance, the absence of clear leadership and governing structure comprise the main challenges. However there are many programs with wide outreach and good assessment results that can serve as examples of best practice in the region – some examples are provided below.

CURRENT STATE OF AFFAIRS
The State Audit Office in Hungary (ÁSZ) carried out two surveys on the Development of Financial education programs in Hungary (in 2013 and 2016) with the aim to discover the effectiveness of financial education in secondary schools. The last survey covered the following main dimensions of financial education programmes: types of the participating organizations, methods of training, achieved results and the trained target groups. Several assumptions (hypotheses) were set and confirmed alongside the survey and some representation of them can be found below.

In total 110 institutions have been targeted for the questionnaire, out of which 63 have responded (incl. for-profit, not-for-profit and public institutions). 51 of those organizations have had already launched programs by the time of the survey (e.g. training programs, surveys, competitions etc.), which aimed at improving financial literacy. 35 organisations (out of 51) had already been running training programs; these were divided in the following four groups:

- “Institutions with large outreach” that have already reached 10,000 people or more with their programs.
- Organizations with less than 10,000 participants are sorted into the following three groups:
  - Financial institutions (5)
  - Not-for-profit organizations (14)
  - Other institutions (12)

The largest targeted segment of the education programs was discovered to be secondary school students (53%). All of the “institutions with large access” and “Financial Institutions” try to reach students in public education.

The responding institutions have reached in total about 461,681 individuals in Hungary, out of them about 341,613 of them are secondary and higher school students.
EXAMPLE OF AN INITIATIVE

ORGANIZATION
Money Compass Foundation

PROJECT
BankVelem Program
The PontVelem (Score-with-Me) Smart Program is a countrywide program for primary school pupils and teachers. The Program spurs for financial consciousness, selective waste collection and sustainable life style in a playful form, whilst emphasizing the importance of charitable activities, helping each other.

In the Program, pupils collect scores by various activities, which scores they can manage, which they can exchange for various gifts in form of objects or experiences, or may offer them for charitable purposes. Scores can be collected by selective waste collection, by on-line activities offered by the program, as well as by an active participation in the financial educational program BankVelem (Bank-with-Me).

This program is based on the work-based society model, and is delivered in a playful environment. The goal is to teach the children to spend and save wisely the salary (points in this program) they earn. Children can learn the basics of financial knowledge in an interactive way. In the framework of the program, the participants are able to place deposits and hold money in the PointBank, which they are able to access through Internet. Children can make queries, transfer points, or place a long-term deposit.

BankVelem has created another program called „Travelling School Programme”. During schoolyears 2015/16, more than 100 elementary schools have been visited all over Hungary. The goal is to strengthen the students’ financial knowledge with the help of games. In 2016/17 the program will continue and one hundred more schools are planned to be visited. In the framework of these programs, four classes will be held mornings and afternoons, and interactive learning will take place with playgroups of students. The schools have to provide the participants, as well as rooms and the necessary infrastructure. The schools need to apply for this program by signing a cooperation agreement.
EXAMPLE OF AN INITIATIVE

ORGANIZATION
OTP Bank

PROJECT
OK Education Centre – OTP Fáy András Foundation

The OK Project was launched in autumn 2012. Set up by OTP Bank, the mission of OK Centre - the National Financial and Economic Education Centre for Secondary School Students - is to “have fun while learning the ins and outs of money, business and the economy, using the most advanced tools and methods available”.

During the test period, approximately 2000 students participated in the financial and economic education. The centres are equipped with the most modern audio-visual devices. Besides teaching, the Foundation carries on public researches as well, linked to the financial knowledge of the students.

The goal of the Foundation is to raise awareness and improve the financial culture with the help of world-class devices, materials, and pedagogical methods.

The project has reached over 40.000 people countrywide and around 15.000 students have participate in trainings so far. 1.400 events were organized, involving about 130 schools and civil organizations.

• More than 15.000 students have participated so far;
• Over the last two years, ten learning materials for high school students and five for adults were successfully prepared by the Foundation;
• 104 teachers have participated in the teacher trainings so far;
• Four financial and economic researches were executed by the Foundation during the project period;
• The foundation has signed a cooperation agreement with ten schools.
There is neither a National Strategy nor a single coordination office for financial literacy in Poland. In 2001 the Ministry of National Education introduced curricula for primary, secondary and high schools, including many financial education elements. For the primary and secondary schools, it included non-obligatory subjects on financial education. In high schools the subject ‘Basics of Entrepreneurship’ is being taught. Currently, in Gymnasiums economic issues make up a part of the “Knowledge About Society” subject, but there is no individual school subject dealing with economic issues and financial education.

The leading role in promoting financial education, particularly for children and youth, is fulfilled by the National Bank of Poland (NBP), which has set up a strategy aiming to conduct effective educational campaigns about economic matters and on the role of the NBP as a central bank. It has an educational strategy with a six-year perspective. The National Bank of Poland is involving a lot of resources in their financial education activities, and those are considered of strategic importance for the regulator. Financial education has been an essential part of NBP’s strategy since as early as 2002, making the central bank one of the early pioneers of promoting financial education in their country. Projects that were organized by and with the support of NBP include knowledge competitions, economic conferences and E-learning studies. One of the largest program was the Savings Week providing financial education to pupils in schools.

Raising awareness and education via mass media are considered one of the priorities in NBP’s strategy. The Polish media have held quite an important role in developing the subject through TV shows like the ‘National Test of Economic Knowledge’, television series, online simulations and other channels.

OBJECTIVES & STRUCTURE
In Poland there is a good climate for financial literacy initiatives, which has led to many private sector programs being developed thanks to the NBP’s and other financial institutions’ financial support. Many financial institutions are contributing to financial literacy initiatives, develop educational programs and have special products and programs for children and youth. The mass media provides a fair amount of information for financial consumers. The effectiveness of financial literacy initiatives is monitored by public and private institutions through opinions and economic research.

PISA RESULTS
In 2012 the PISA financial literacy assessment, an assessment of financial literacy skills of 15-year-olds, was published showing that Poland’s overall financial literacy score is a little above the OECD-13 average, and placed on the 7th place in the overall ranking. Integration of financial education in the school curriculum is above the average as well.

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<td>Poland</td>
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Table 3 – PISA results Poland
MATERIAL & TEACHERS TRAINING
The National Bank of Poland, as well as many civil society and private sector stakeholders have produced a wide variety of financial education materials for primary, secondary and high school students in Poland. For instance, on the Economic Education Portal (www.www.nbportal.pl) of NBP there’s a special section for teachers, containing lesson plans and core curriculum for both primary and secondary school levels, aimed at supporting teachers involved in financial education activities in the country. Moreover, NBP is, among other activities, running a series of training and workshops for teachers. One of such initiatives is “How to become rich - financial education in practice. Workshops for teachers”, which is a free teacher training module for primary school teachers of grades 4-6. The aim of the training is to equip primary school teachers with the latest knowledge in the field of personal finance, so that it can be used for different classes of students. The Bank also publishes a variety of teacher manuals, support materials and articles to support them in delivering financial education materials to students.

Junior Achievement Poland also is very active in producing the materials and teacher support manuals, and runs some of the biggest civil society initiatives in the country. For example, the program “My Finances” is implemented through a partnership between JA Poland, NBP, and the Kronenberg Foundation. The main aim of “My Finances” is to prepare 15-19 year old students for effective management of their finances in the modern world, and in the future using electronic sources of information. The program is supported by modern educational tools posted on the online platforms. Other materials have been produced by JA Poland in collaboration with private and public stakeholders for the educational programs such as “Save Journeys from Penny to Zloty” and “Everyday Economics”.

ASSESSMENT & CHALLENGES
NBP’s interventions are aimed at raising awareness about personal finance-related matters, and at mass outreach financial education information campaigns via mass media and press. A lot of resources being put in promoting financial education in schools, but as in many other countries the lack of time, teacher qualifications and over-loaded curricula remain the main challenges.

CURRENT STATE OF AFFAIRS
In 2015, there were approximately 110 financial education projects in Poland targeting youth, and 57 targeting adults, according to Zwiżek Banków Polskich.
EXAMPLE OF AN INITIATIVE

ORGANIZATION
Warsaw Institute of Banking
The Warsaw Institute of Banking was established by the eight biggest Polish banks and the Polish Bank Association in 1992, and is aimed at increasing the competitiveness of banks and other institutions in the financial services market.

PROJECT
BAKCYL
BAKCYL is a project by the Polish banking sector, set up in 2013, and came as a response to the need for financial education for youth. The organization aims to increase student’s financial awareness, provide an opportunity for interpersonal development of bank professionals, improve the banking sector’s reputation and confirm the social responsibility of banks. BAKCYL cooperates with schools to provide long term financial education. Workshops are delivered on a voluntary basis by employees of the banking sector, who have been trained both in pedagogical skills and the content of the workshops. The target group of these workshops is youth between 13 and 16 years old. During the workshops four main themes are covered, building financial capabilities of the students: managing your money, borrowing wisely, smart investment and finance for life. By 2015 the BAKCYL workshops reached 14,200 attendees in 72 schools, thanks to 150 volunteers from the financial sector in Poland.

Figure 5 – BAKCYL workshops

Managing your money - management of personal budget

Borrowing wisely - debt products and how to avoid over-indebtedness

Smart investment - how to select savings / investment products

Finance for life - introduction to personal financial planning and long-term savings

EXAMPLE OF AN INITIATIVE

ORGANIZATION
Microfinance Centre
The Microfinance Centre is a regional center and network for regional microfinance, bringing together 104 organizations in Central Europe and Asia. The organization aims to create informed and capable financial consumers and build strong institutions.

PROJECT
‘My home, my responsibility’ program
The Microfinance Centre raises awareness and builds the capacity of local development organizations and financial service providers in financial education. Their financial education model consists of a number of modules, each teaching a different aspects of financial literacy. Aims include changing negative attitudes towards long-term financial planning and saving, improvement of financial capability and practices of low-income households in the area of debt management and developing skills of financial institution staff to use financial counseling as sales and client retention tool. These programs are not specifically aimed at young people or children. In November 2015 the Microfinance Centre organized its 18th Annual Conference titled ‘Employment, Youth and Investment: What can Microfinance do?’ With this the center is shifting its focus more towards the younger population. On the conference the matter of European and global economic recovery was addressed.

The Microfinance Centre also reaches out to delinquent youth in Poland and teaches them to be money smart and energy smart through the ‘My home, my responsibility’ program. With the project they hope to give young people knowledge and skills to be able to live independently. They teach youth to manage their households and finances within a budget through games, creating positive attitudes and behavior. The curriculum includes approximately 25 hours’ worth of material, such as mini-competitions, brainstorm sessions and exercises and is based on practical real-life examples. Participants learnt how to choose best value-for-money household equipment, how to borrow wisely and the importance of a monthly plan and budget for food. So far 67 delinquent youth, age 15-19, including 40% girls have been reached.

This year there were 17 trained trainers involved and six delinquent youth centers participating. Change that has come about as confirmed by qualitative research are:

• decreased consumption of cigarettes and sweets and money shifted to savings for more important goals;
• setting up spending limits for daily life;
• putting money aside for rainy days;
• energy saving habits like turning off the light, using less water, etc.;
• limiting borrowing to urgencies and only in case the income is expected.

Figure 5 – BAKCYL workshops
A milestone for financial literacy in Slovakia was reached with the elaboration of the 2008 National Standard of Financial Literacy (NSFL) version 1.0, defined as the ability to use the knowledge, skills and experiences for the effective management of own resources with the objective to ensure lifelong financial security of individual and his household. In 2013 ‘The Report on the state of education aimed to support the development of financial literacy’ was submitted by the Ministry of Education, Science, Research and Sport (MESRS SR), updating the NSFL. The NSFL now includes explicit guidelines on the level of knowledge, skills and experience in financial education and management of personal finance a secondary school graduate should have reached. These include the ability to find, evaluate and use financial information; set financial goals; and understand basic definitions in the area of finances.

Leading institution: Ministry of Education, Science, Research and Sport
Integration in the school curriculum: Yes – compulsory

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<th>Financial Literacy Working Group Members</th>
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<tr>
<td>Institute of Banking Education, NBS, n.o.</td>
<td>National Institute for Certified Measurement</td>
</tr>
<tr>
<td>Ministry of Economy</td>
<td>State Institute of Vocational Training</td>
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Table 4 – Financial literacy working group members - Slovakia
The Ministry of Education in cooperation with the Ministry of Finance was assigned the task of elaborating the standard of financial literacy for individual levels of education, implementing the strategy of education in the financial area, elaborating training of pedagogical staff in financial literacy and implementing the strategy of education in the financial area of and management of personal finances to other educational activities.

The resolution of 2013 following ‘The Report on the state of education aimed to support the development of financial literacy’ made the MESRS SR responsible for updating the content of the National Standard of Financial Literacy, come up with the methodology to incorporate financial literacy themes into educational programs of elementary and secondary schools and report on the state of financial literacy education. The NSFL was defined in a multi-stakeholder working group consisting of the representatives of various governmental bodies, private sector and civils society organizations – you can see the full list of members of the National Working Group in Table 4.

OBJECTIVES & STRUCTURE

The NSFL 1.1 was implemented in order to develop financial literacy and attempts to establish the effective management of own resources and ensure lifelong financial security by using knowledge, skill and experience abilities. The government suggested that financially literate college graduates should understand all key aspects of personal money managements and funds on a general level. This means that graduates, in case of specific financial challenges, are able to independently find and use information needed. This objective is divided into a number of general and partial competences. The general competences comprise:

- To consider the meaning of permanent life values, the influence of money and how to save it and to choose and set life priorities and starting points to secure life needs.
- To use reliable information and decision making processes in personal finances.
- An understanding and orientation in securing life needs of the individual and family. Evaluation of the relation between one’s profession and personal income.
- Organization of personal finances and using a budget for cash management.
- Maintaining sustainability, borrowing under favorable conditions and managing debt.
- The application of various investment strategies that are consistent with personal goals.
- The use of appropriate risk management strategies.

The NSFL implementation contains pedagogical and educational elements dealing with value orientation towards money, personal and family models of securing life needs, the functioning of individuals and families in the economic area and models of financial security. Implementation of the Standard is compulsory for all schools in the country. The individual topics are divided into partial competences, as well as into seven topics and three levels as can be seen from the figure below.

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Information for the case of Slovakia was contributed by the Institute of Banking Education of the National Bank of Slovakia
PISA RESULTS
The Programme for International Student Assessment (PISA) ‘Student and Money’ report on the financial literacy skills of students came out in 2012. The assessments of the level of financial literacy of 15-year old students took place in 18 countries and economies, including 12 OECD countries and the Flemish Community of Belgium. While availability of financial education in schools is one of the highest in Slovakia, compared to all participating countries, the country scored one of the lowest in this financial literacy assessment, on the 15th place. The table below shows the country’s performance in financial literacy, as well as OECD-13 averages.

| OECD average-13 | 500 | 15.3% | 9.7% | 1 | 2 |
| Slovak Republic | 470 | 22.8% | 5.7% | -3 | 2 |

*Table 5 – PISA results Slovak Republic*
MATERIALS & TEACHER TRAINING

National Pedagogical Institute has issued a guidance document for the implementation of financial literacy in education at 1st stage of elementary school - Financial Literacy 1. Moreover, to support the development of financial literacy, there are currently several publications on the market that handle the issue of financial education – for instance, Practical Finance 5; Practical Finance 6; Financial Literacy for the 4th stage of elementary school; Financial literacy for everyone; Financial literacy for high school (or nothing is free in life); Financial Literacy for the 2nd stage of elementary schools etc.

Methodological and pedagogical center offers developed teaching resources to support financial education of pedagogical employees on its website www.mpc-edu.sk, such as Fundamentals of financial literacy; Practical economy; Current issues of the tax system of the Slovak Republic; “To be active and conscious consumer.”

Department of Education of Faculty of National Economy at the University of Economics in Bratislava issued two methodological guides for teachers of elementary and secondary schools - “Financial literacy in primary education” and “Financial literacy in secondary schools”, which are used in the educational process for the preparation of future teachers in professional economic subjects within the supplementary pedagogical study.

Ministry of Finance of the Slovak Republic operates Portal of financial education and financial consumer protection (www.fininfo.sk) that continuously updates to provide independent, professional and practical information to ensure greater awareness of financial risks and protection of consumers on financial market. It also operates within the portal FinInfo, a section dedicated to materials that can also benefit educators in elementary and secondary schools.

Ministry of Economy of the Slovak Republic has, within its pilot project, developed consumer education teaching aids that in a simple and playful way bring students the basic information in the field of consumer protection. It also attempted to support and clarify theoretical questions with concrete examples. Teaching guides are focused on the most common situations of life of consumers, particularly on the issue of consumer contracts and unfair contract terms, application and complaint handling, product safety, purchase goods and services at a distance and off-premises, and options for resolving consumer disputes.

There are many private sector and civil society stakeholders that are also active in developing and funding programs for financial education of young people, and produce various supporting materials (e.g. OVB Allfinanz ‘My Family’ project; Junior Achievement Slovakia and Slovak Banking Association etc.).
ASSESSMENT & CHALLENGES
At the moment implementation of the National Standard is compulsory as a cross-cutting theme in the school curriculum. However the inspection conducted in 165 schools of the country in 2015 showed that only 41% of schools has actually applied the standard, while 20% of schools omitted. As a solution to this the Ministry of Education has decided to provide small grants (up to 1900 euro) to schools that are facing difficulties in the implementation of the Standard, in order to facilitate new ways of adopting the Standard in their curriculum.

According to the State School Inspection recommendations to overcome the barriers should focus on:

• Paying special attention to the incorporation of themes, overall and partial financial literacy competencies of National Standard into the curriculum under the existing Methodology for the implementation and application of financial literacy topics;
• Exploiting the possibilities to create new subjects or new themes in the curriculum subjects in terms of providing greater support for the development of financial literacy of students;
• Considering the possibility of establishing a coordinator for the implementation of National Standard in the educational process;
• Ensuring education of teachers to develop financial literacy;
• Controlling activities on detecting the state of development of financial literacy of the students, to have an overview of these findings at the methodical meetings of school authorities;
• Ensuring that teaching materials, guides and instructional materials are stimulating for the development financial literacy in the school environment.

CURRENT STATE OF AFFAIRS
Based on the conclusions of the working meeting of representatives of the inter-ministerial expert group on financial literacy in 2015, Appendix No. 1 to the National Financial Standard was prepared by the Ministry of Finance, amending the methodology for the implementation and application of financial literacy topics into the school curricula in elementary and secondary schools. which in the Topic no. 4 and in partial competence 4 adjusted wording of competence at level 2.

Supplement No.1 also defines the width of knowledge, skills and experience in tax compliance. Supplement No.1 was approved by the Ministry of Education in 2015 with the effect from 1st September 2016.

A comprehensive report about the current status of financial education is planned to be submitted to the Slovak government, comprising activities and their impact for the last two years by the end of 2016.
EXAMPLE OF AN INITIATIVE

ORGANIZATION
Children of Slovakia Foundation
The Children of Slovakia Foundation (Nadácia pre deti Slovenska, NDS) supports children and young adults in their versatile development, provide them with help, strengthens their participation in decision making and respect them as equal partners.

PROJECT
Know Your Money
The program developed to raise awareness and develop social and financial literacy from kindergarten to graduation is called ‘Know Your Money’. It is an accredited program offered to schools and teachers in order to implement these very important aspects of education into curriculum. The program was developed by experts, teachers and had been tried and tested in schools with students before released. The program has gone through several stages of development over the past 15 years, spreading from secondary to primary school in 2008 after the adoption of the National Standard, and preschool education system, and has been accredited by the Ministry of Education.

School of Family Finances
The School of Family Finances project provides financial education to vulnerable groups in communities, such as children from orphanages, young people and adults from the crisis and community centers, mothers on maternity leave. It earned the accreditation of the Ministry of Education, Science, Research and Sport of the Slovak Republic in 2011. In this project, trainers help participants to navigate themselves in the world of financial products, to take responsibility for their finances and to learn to set up and maintain the family budget. At the same time they help them to create the back-up saving plan for worse times, do shopping and cooking on budget, learn household management, as well as do various activities, which are aimed at practical preparation for the job interview, opening a bank account, etc. Often there is a practical activity that participants develop and carry out at the end of the training (for instance, women from the Roma Community created a cookbook on budget with relevant recipes).

New Notion
New Notion is a two-day financial and social education training focusing at young people between 16 and 30 years old to prepare them for real life, which NDS piloted in 2016. People in this age group may be leaving school and their homes and be looking for a job. The project helps them establish a realistic outlook on future life, manage risks and develop critical thinking to deal with difficult financial situations.

“Majority of the participants observed, that they are more conscious of their personal responsibility for their financial behaviour. Socially deprived citizens and crisis center clients had the possibility to realize, how they influence their financial situation by their decisions.” - Help, NGO Handlová about the School of Family Finances