



### ■ Why does it matter to intermediaries?

In the framework of the 2020 CMU Action Plan, the European Commission stated it would like to improve citizens' financial literacy by developing a European financial competence framework and incentives for Member States to promote financial education and responsible investing.

### ■ State of play

As a result, the **Commission** and the **OECD** published a joint financial competence framework for adults in January 2021. This is a framework for voluntary uptake in the EU by public authorities, private bodies and civil society. The framework divides the competences into four content areas: money and transactions; planning and managing finances; risks and reward; and financial landscape. For each competence, three dimensions are considered: awareness/knowledge/understanding; skills/behaviour; and confidence/motivation/attitudes. The framework has a special focus on digital and sustainable finance skills.

The Commission and OECD, in cooperation with Member States, are currently working on a financial competence framework for children and youth (individuals under 18). The framework is expected to be finished in 2023.

The **ESAs** are also active on this topic. In January 2023 they published a joint thematic Report on national financial education initiatives on digitalisation, with a focus on cybersecurity, scams, and fraud. The Report identifies 12 good practices that NCAs and other public entities can follow when designing and implementing their financial education initiatives. The Report is based on an analysis of the Joint ESA's thematic repository of 127 national financial education initiatives on digitalisation with a focus on cybersecurity, scams and fraud, that was published on 31 January 2022. It also draws on insights from a joint ESAs high-level conference on financial education and literacy that was held on 1-2 February 2022, which BIPAR attended, and a workshop with NCAs in September 2022.

Lastly, the **RIS** published on 24 May 2023, also contains provisions calling upon Member States to promote measures that support the education of retail clients/prospective retail clients/customers in relation to responsible investment/purchase of insurance products when accessing investment/insurance services or ancillary services.

### ■ Links

- [2020 CMU Action Plan](#)
- [Commission's and OECD's joint financial competence framework for adults](#)
- [ESAs' thematic repository of 127 national financial education initiatives on digitalisation](#)
- [ESAs' high-level conference on financial education and literacy](#)

### ■ BIPAR's position / key messages

Investment / financial education should be included in the curricula of secondary schools. This is something that BIPAR has been advocating for 20 years. The public should also be made better aware that most of the products and activities are regulated and supervised and that such a system should create the necessary trust in the financial products and manufacturers and distributors, intermediaries and advisors.

Regarding the ESAs' report, while BIPAR welcomes the ESAs' initiative on financial education and agrees that there is a strong need for financial education on digitalisation and especially on cybersecurity, scams and fraud, it does not agree with the ESAs when they explain in their report that "access to digital channels and digital infrastructure has become a prerequisite for consumers to make use of financial services". Access to digital channels or infrastructure may be a prerequisite to accessing banking services but not insurance or investment services. Access to insurance/investment intermediaries and, therefore, insurance / investment services/advice can be done without access to digital infrastructure.

BIPAR encouraged its members to discuss with their authorities the development of financial education programmes for consumers.

### ■ Next steps

The financial competence framework for children and youth is expected to be published in 2023.