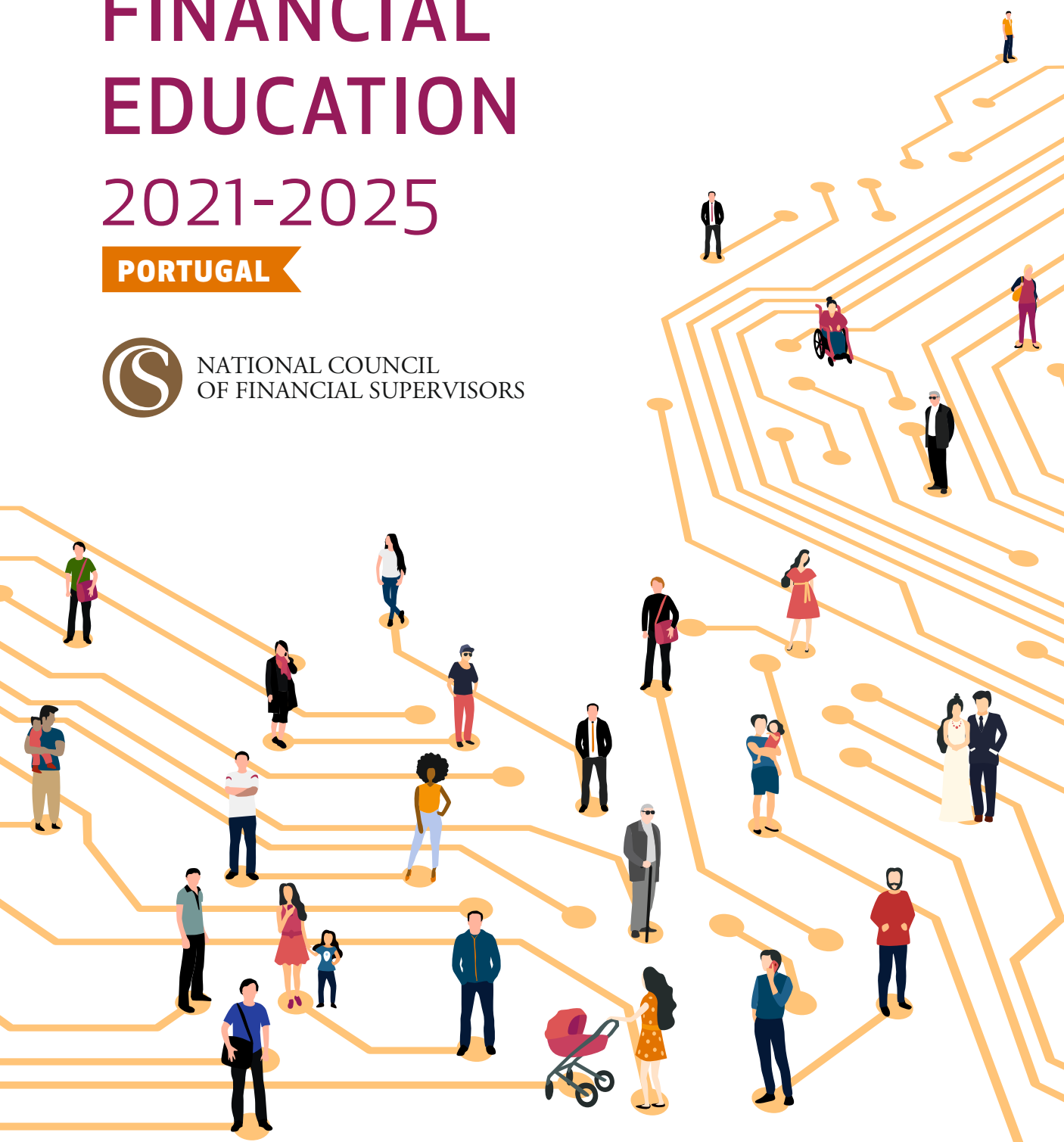


## PORTUGAL



NATIONAL COUNCIL  
OF FINANCIAL SUPERVISORS



**ASF**

Autoridade de Supervisão  
de Seguros e Fundos de Pensões

PORTUGUESE INSURANCE AND PENSION FUNDS SUPERVISORY AUTHORITY

BANCO DE  
PORTUGAL  
EUROSYSTEM

# CMVM

COMISSÃO DO MERCADO  
DE VALORES MOBILIÁRIOS



# NATIONAL PLAN FOR FINANCIAL EDUCATION 2021-2025

GUIDELINES



NATIONAL COUNCIL  
OF FINANCIAL SUPERVISORS



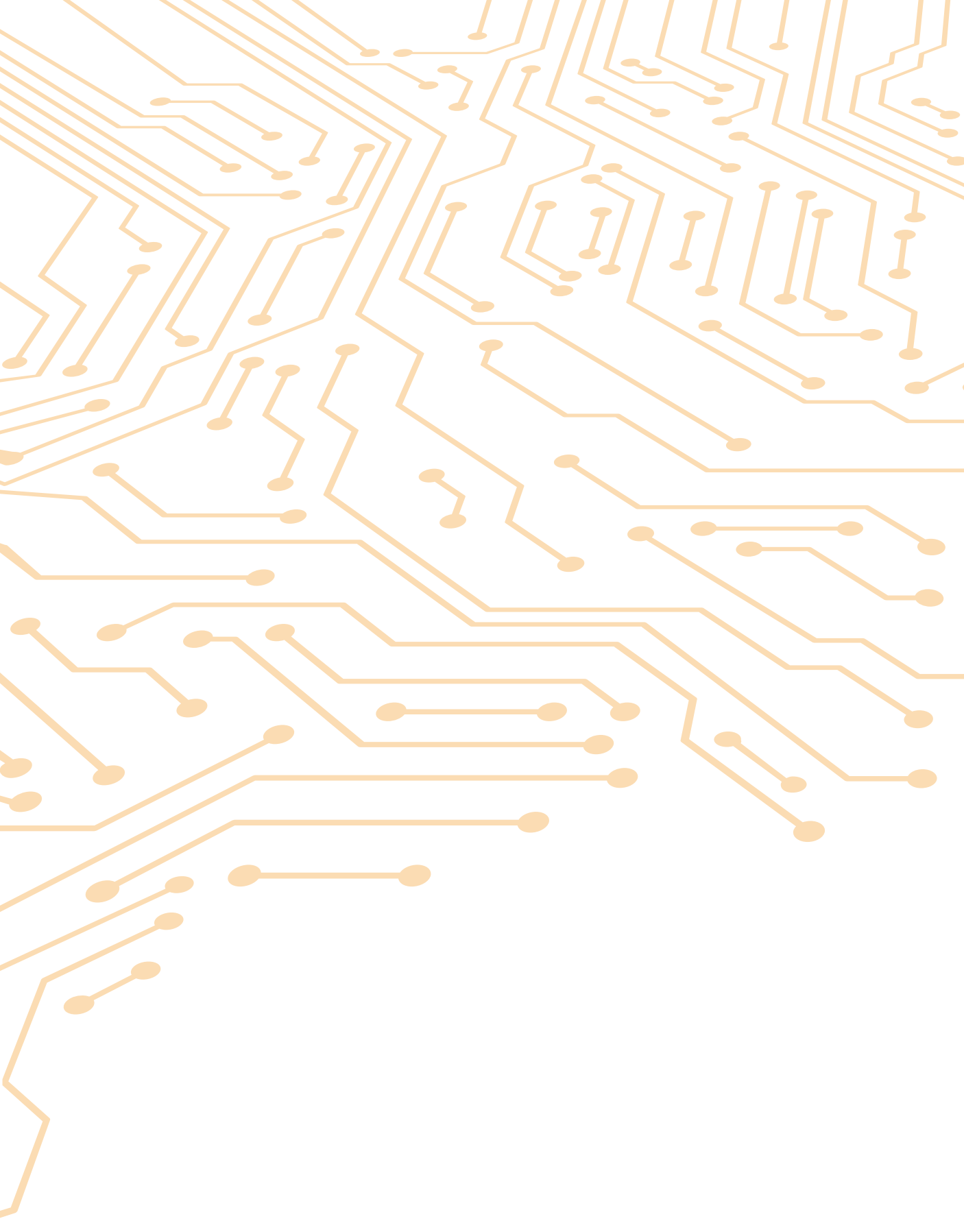
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# Contents

5	Introduction
7	<b>10 years of the Plan</b>
9	Who we are
10	What we have done
13	<b>Challenges to be overcome</b>
15	What remains to be done
15	New challenges
15	Increase in vulnerability
16	Accelerating digital transformation
17	Promoting a sustainable economy
19	<b>2021-2025 outlook</b>
21	Strengthening partnerships, intensifying digital delivery
22	<b>Strategic dimensions of action</b>
22	Strengthening financial resilience
23	Promoting digital financial education
23	Contributing to sustainability
25	<b>New priorities</b>
27	<b>Goals and assessment</b>



# Introduction

Ten years after the launch of the National Plan for Financial Education, the challenges to be overcome in the next five years need to be reflected upon.

The financial supervisors - Banco de Portugal, Autoridade de Supervisão de Seguros e Fundos de Pensões (the Portuguese Insurance and Pension Funds Supervisory Authority)<sup>1</sup> and Comissão do Mercado de Valores Mobiliários (the Portuguese Securities Market Commission) - who launched this project in November 2011, have always considered it from a medium to long-term perspective. This five-yearly reflection is a time for re-assessing what is being implemented and how much remains to be done. This was so in 2016 and disclosing this document today outlines the main initiatives carried out by the Plan and what still needs to be done, with emphasis on the next steps.

Looking back at the path travelled, the supervisors have reiterated the importance of maintaining the current governance model for the Plan. It has always aggregated the initiatives of the various partners wishing to join this ambitious national project by complying with its Guiding Principles, as defined at the outset of 2012.

The supervisors renew their commitment to promote and lead the implementation of the strategic options that embody the ambitious goals we have set ourselves for the coming years, always in cooperation with the reference partners and their target audiences.

Given the results achieved, with emphasis on financial education in schools and the collaboration with the Ministry of Education, the Plan will keep promoting strategic partner-

ships, strengthening the network that already includes other reference entities, such as entities from the Ministries of the Economy and of Labour, Solidarity and Social Security.

The Plan also recognises occasional partnerships in implementing certain projects of its work programme, well illustrated in the support received from the main financial sector associations - the Portuguese Banking Association, Portuguese Association of Insurers, Portuguese Association of Investment Funds, Pensions and Assets and Association of Specialised Credit Institutions - in producing the Financial Education Workbooks. Awareness-raising initiatives are also worth noting, in particular Financial Literacy Week, which the main partners of the Plan are associated with, testifying to their commitment to this joint project.

Over the next few years, existing partnerships will be strengthened, and new ones promoted to implement the ambitious work programme we have set ourselves.

Like 10 years ago, the Plan's vision is to promote financial literacy among the Portuguese population, a goal that is understood to be difficult to achieve, but which continues to be assumed pragmatically when setting priorities. The choice of target audiences adopting the best international practices is followed very closely by the Plan, namely through its committed involvement with the OECD's International Network on Financial Education (OECD/INFE).

The evolution of the economic and financial environment, with its inevitable effects on social fabric, also weighs on choices to be made under the Plan. Nowadays in a context strongly marked by the impact of the COVID-19 pandemic, certain audiences gain a strategic importance for the work to be developed. Firstly, the adult population, where new vulne-

1 Then known as Instituto de Seguros de Portugal.

rable audiences have emerged with the halt and/or reduction of economic activity, bringing to the priorities of the financial education agenda issues integrated in the fostering of the financial resilience of households and firms.

The strong surge in technological innovation in marketing financial services, fuelled by a need to overcome the hardships caused by the pandemic, has also reinforced the long-awaited priority in initiatives to promote the digital financial education of the Portuguese population. From promoting adequate access to digital channels to knowledge of the characteristics and risks of new products and traditional products with new features, as well as new providers and intermediaries of financial services. Also surrounding these topics, young people will continue to be one of the priorities. However, we cannot forget that the digital transition may increase inequality between those who have digital know-how and those who do not, resulting in the risk of financial exclusion of certain groups, which the Plan should strive to mitigate.

Similarly, issues linked to sustainability and sustainable finances will be among the Plan's priorities in the coming years, considering, on the one hand, that it is paramount to raise awareness of the need to include environmental and social impact on how consumers manage their budgets and make their choices between consumption and savings. In choosing products to invest in, one must consider how the economic and financial return is generated, given that the conservation and efficient use of resources not only contribute to social and economic development, but also to financial market stability.

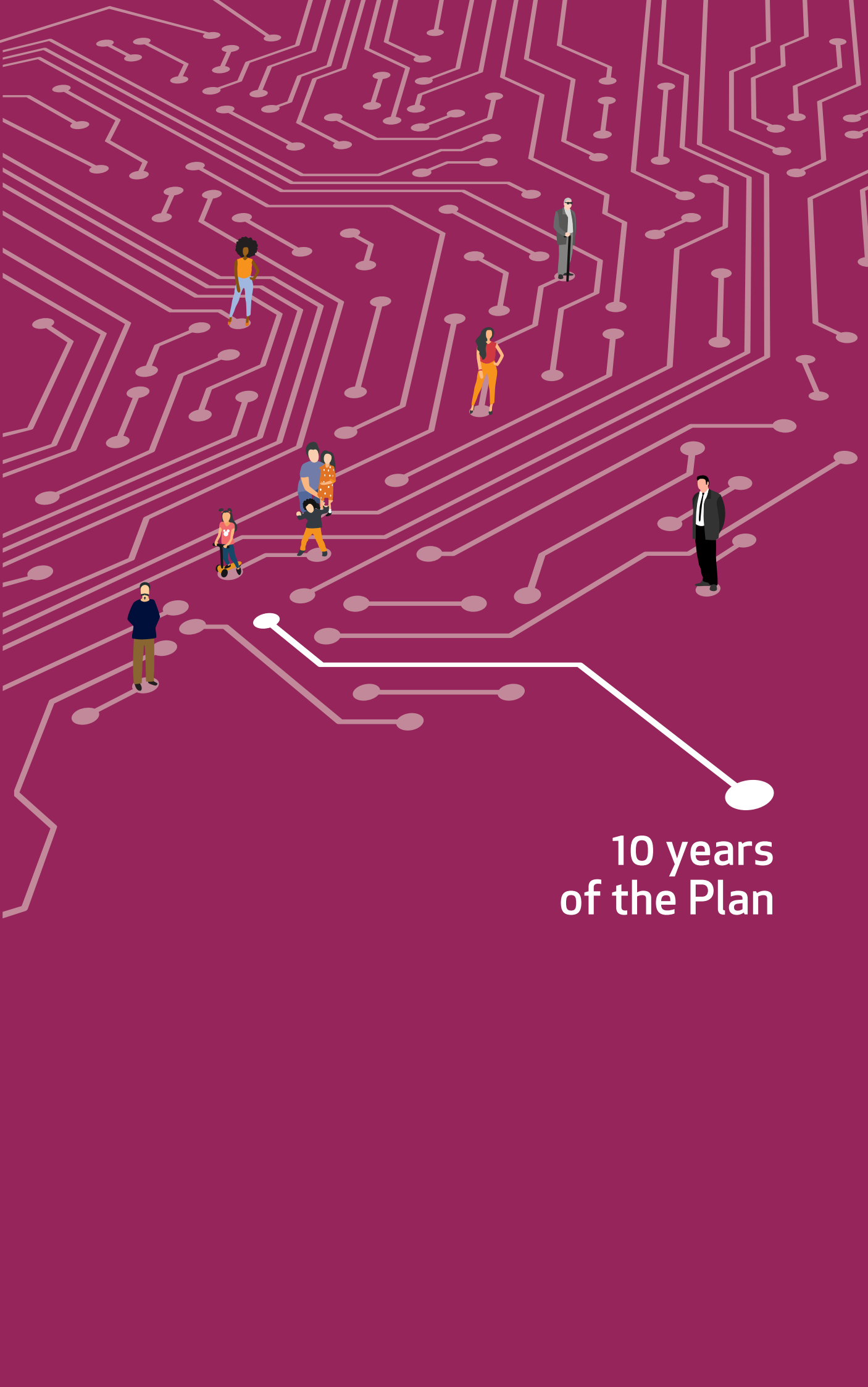
The importance of promoting financial resilience, digital financial education and sustainable finance is aligned with the concerns highlighted in the Financial Education Competence Framework for the European Union Adult Population, adopted by the European Commission and the OECD/INFE. The Plan accompanied its preparation and assumes the commitment to implement these recommendations within its financial education initiatives.

To implement what was left undone over the past 10 years, and to respond positively to new challenges, especially those that became a matter of urgency thanks to the COVID-19 pandemic, the Plan knows that it can count on the enthusiasm of its current partners and on others that will soon join it. It also knows that the technological leap forward we have been experiencing, particularly in the contacts we have, can and should be an opportunity for us to increase and broaden the impact of our initiatives quickly and conveniently among wider audiences, without forgetting our face-to-face contacts, but by complementing them.

Therefore, the motto for the 2021-2025 Plan rests on two priorities: strengthening partnerships, investing in digital.

Because the task is huge and time is short, we count on everyone, also remembering our motto "Todos Contam"!





10 years  
of the Plan



The National Plan for Financial Education is a medium to long-term project, and its guidelines outlined for 2021-2025 provide continuity and reinforce the strategy pursued over the last decade.

## Who we are

The Plan was devised in 2011 by the three financial sector supervisors, the Banco de Portugal, the Portuguese Insurance and Pension Funds Supervisory Authority (ASF) and the Portuguese Securities Market Commission (CMVM). The launch and implementation of a national financial education strategy has been the result of a comprehensive assessment of the needs of the Portuguese population in the various areas that make up the management of their personal finances. The financial literacy surveys of the Portuguese population carried out in 2010, 2015 and 2020<sup>2</sup>, have been crucial in this analysis, which, at a first stage, allow the preparation of a needs assessment, an outline of the main guidelines, the identification of priority target audiences and subsequently, assessment and review the strategy adopted.

From managing a household budget to deciding whether to save or invest, to taking out loans or taking out insurance, citizens are faced with many financial decisions in their everyday lives. Even though financial decisions are part of the day-to-day lives of the Portuguese, the growing diversity of financial products and services and the complexity associated with some of them can make it difficult for consumers to choose.

This is why our mission to increase the population's financial knowledge and promote the adoption of appropriate financial behaviours, plays an increasingly important role, while being a major complement to consumer protection measures and therefore promotes financial stability. In this task, the Plan considered that the contribution of different stakeholders was absolutely crucial to developing a project with a sound and sustainable base, simultaneously integrating and inclusive.

The Plan's governance model<sup>3</sup> is based on the leadership of this project assumed by the National Council of Financial Supervisors (CNSF), a body that is made up of the three financial supervisors (Banco de Portugal, ASF and CMVM). The CNSF has appointed a Coordination Committee, which includes a representative from each of the financial supervisors<sup>4</sup> responsible for managing the implementation of the project. The Plan's partners are part of the Monitoring Committee and are responsible for monitoring and supporting the implementation of activities, pinpointing priorities and training initiatives, and collaborating in preparing the plan of activities. In the context of financial training at schools, the Plan also relies on the support of the Jury of the Todos Contam Competition, made up of representatives from the Ministry of Education and specialists and experts in training areas.

2 The financial literacy surveys of the Portuguese population started in 2010, with the first survey conducted by the Banco de Portugal, and continued in 2015 and 2020 with the surveys conducted by the National Council of Financial Supervisors.

3 <https://www.todoscontam.pt/pt-pt/modelo-de-governacao> (in Portuguese only).

4 Presided by the Banco de Portugal..

Based on these presuppositions, the financial supervisors joined forces in a project based on a comprehensive overview of the financial lives of the Portuguese, supported by the experience of a wide range of partners, including public and private sector entities from a variety of areas. The experience and know-how provided by these partners has enabled the design and implementation of cohesive, sustained and appropriate financial training programmes for different target audiences. The concern about the suitability of the contents and materials to their target audiences has proven to be vital for the involvement and commitment of the recipients of these actions.

## What we have done

Following the establishment of this course of action, the Plan has developed extensive work with children and young people over the past 10 years<sup>5</sup>, based on a financial education programme for schools, implemented in partnership with the Ministry of Education. In 2013, the Financial Education Competence Framework for Preschool Education, Primary Education, Secondary Education and Adult Learning and Training (REF) was published, a guide to the implementation of financial education in a context of education and training. To support the implementation of the REF in schools, the Plan began a certified teacher training programme including 387 trainers and teachers on the 11 certified training courses held in the five regions of mainland Portugal: North, Centre, Lisbon and Tagus Valley, Alentejo and Algarve and the Autonomous Regions of Azores and Madeira. The partnership with the Ministry of Education also enabled the development of educational content for the three stages of compulsory education and secondary education, the Financial Education Workbooks.<sup>6</sup> The Todos Contam Competition, an initiative that promotes and encourages the development of financial education projects in schools, has also played a key role in raising awareness of financial issues among teachers and students. Over its ten editions, the Jury of the Todos Contam<sup>7</sup> Competition has analysed 531 projects, involving 544 different schools and over 100,000 students.

5 The main initiatives carried out by the Plan since 2011 and the results achieved are presented in detail in an independently published infographic available at (in Portuguese only): [https://www.todoscontam.pt/sites/default/files/taxonomy\\_file/infografia\\_-\\_cronologia\\_10\\_anos\\_de\\_plano.pdf](https://www.todoscontam.pt/sites/default/files/taxonomy_file/infografia_-_cronologia_10_anos_de_plano.pdf)

6 The Financial Education Workbooks result from a partnership between the Ministry of Education, the National Council of Financial Supervisors (Banco de Portugal, the Portuguese Insurance and Pension Funds Supervisory Authority (ASF) and the Portuguese Securities Market Commission (CMVM)) and four financial sector associations (the Portuguese Banking Association (APB), the Portuguese Association of Insurance Companies (APS), the Portuguese Association of Investment Funds, Pensions and Assets (APFIPP) and the Association of Specialised Credit Institutions (ASFAC).

7 The functions of the Todos Contam Competition Jury are to assess the applications submitted by schools to the Todos Contam Competition and to advise the Coordination Committee on strategic matters for the implementation of the Plan, namely on initiatives geared towards schools. The Jury comprises representatives of the Ministry of Education and educators and specialists with proven experience in training areas.

The holistic strategy to promote financial education in schools contributed to financial literacy joining, in 2018, the second group in the domain of Citizenship Education<sup>8</sup>, becoming a compulsory subject in at least two stages of education.

This strategy also contributed to, in 2018, Portugal participating for the first time in the OECD's Programme for International Student Assessment (PISA) financial literacy assessment exercise. The results placed the country sixth in the percentage of students with basic financial skills (86%) and in seventh place in the overall financial literacy indicator.

Micro, small and medium-sized enterprises have become other priority audiences in the national strategy. Since the publication in 2016 of the Financial Training Competence Framework for micro, small and medium-sized enterprises, in partnership with the Agency for Competitiveness and Innovation (IAPMEI) and Turismo de Portugal, annual financial training programmes, led by a group of certified training staff created to allow financial education courses to take place in enterprises all over the country. Having held 3 train-the-trainer courses, there is now a total of 18 certified training staff, enabling, since 2017, 153 courses with 4,563 participants covering diverse themes such as credit solutions, capital markets, insurance and business plans. In 2021, to better define the strategy for this target audience, the Plan took part in the Financial Literacy Survey of micro, small and medium-sized enterprises, an international comparison exercise conducted by the OECD under the International Network on Financial Education (OECD/INFE)<sup>9</sup> and promoted by the G20's Global Partnership for Financial Inclusion (GPFI)<sup>10</sup>.

Alongside these projects, the Plan also seeks to raise awareness and empower the population at large on this issue. The project developed with 26 local authorities in the North region, with the support of the Northern Regional Coordination and Development Commission (CCDR-N) and the partnership launched in 2020 with the General Secretariat of the Ministry of Labour, Solidarity and Social Security (SGMTSSS), to promote financial training initiatives in the workplace alongside the 22 bodies of that Ministry. During the first year of this partnership, four distance financial education courses were held, using the e-learning platform Todos Contam, involving some 230 employees of that Ministry's bodies.



8 The different domains of Citizenship Education are organised into three groups with distinct implications: the first, compulsory for all levels and stages of schooling, the second at least in two stages of basic education, the third with optional application in any school year.

9 The following countries took part in this survey: Brazil, China, France, Germany, Italy, Mexico, Russia, Saudi Arabia, Turkey, Georgia, the Netherlands, Peru, Portugal and Spain.

10 <https://www.oecd.org/finance/financial-education/navigating-the-storm-msmes-financial-and-digital-competencies-in-covid-19-times.htm>

The inclusion of Short-Term Training Units (*Unidades de Formação de Curta Duração* - UFCD) in financial education elements in the National Catalogue of Qualifications, promoted in partnership with the National Agency for Qualification and Vocational Education and Training, enabled the inclusion of these contents in professional training courses for adults and young people registered with the Institute for Employment and Vocational Training (*Instituto do Emprego e Formação Profissional*, I.P.) (IEFP). The financial education given in partnership with IEFP has encouraged the acquisition of knowledge and development of cross-cutting skills that are key to exercising an active and informed financial citizenship.

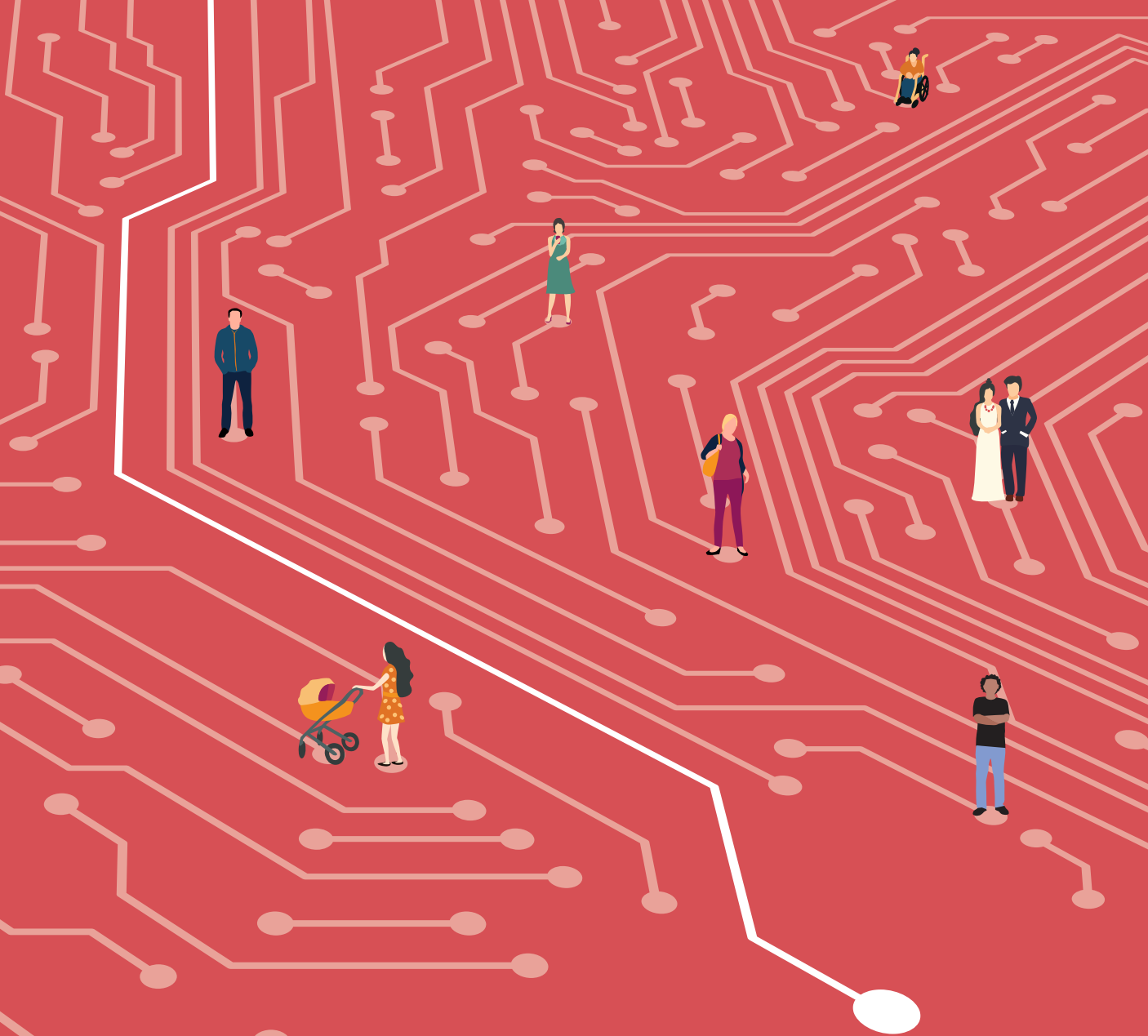
This project enables people with greater vulnerabilities in particular, to be supported, such as the unemployed, thus promoting better qualification of the more vulnerable and consequently, better integration in the labour market. Within the scope of this project, between 2018 and 2021, 9 courses were held that involved about 150 IEFP training staff, who carried out over 1,600 financial training courses for over 16,000 vulnerable people, namely the unemployed. The progressive shift communicating at a distance has been another milestone over the past 10 years. The promotion of financial education through digital channels ensures greater dissemination and capillarity in initiatives carried out. One of the first and major projects in this area was the launch, in 2012, of the *Todos Contam* ([www.todoscontam.pt](http://www.todoscontam.pt)), website, which is the privileged channel for disseminating financial education contents and initiatives and providing personal finance management tools.

In 2015, the Plan launched the *Todos Contam* e-learning platform (<http://elearning.todoscontam.pt>), with the aim of promoting distance financial education as well as supporting classroom training.

The Plan has also been increasing its presence on social media, having launched a Facebook page in 2018 to disclose financial information and education content to a wider audience, allowing consumers to access up-to-date and credible information in this way as well.

Over the years, the Plan has sought to raise awareness among the Portuguese of the importance of financial education. This is mirrored in the various national initiatives it has held, in particular, the promotion of Financial Education Week, an annual event aimed at raising awareness on the importance of financial education. First launched in 2012 as Financial Education Day, this event has evolved and attracted the attention of an increasingly diverse network of partners, which led to its extension in 2017 to becoming Financial Education Week, integrating activities over five days around World Savings Day<sup>11</sup>.

11 <https://www.todoscontam.pt/pt-pt/noticias-termo/dia-formacao-financeira> (in Portuguese only).



Challenges  
to be overcome





## What remains to be done

The Plan was launched in 2011 with the ambition of reaching the population at large through its action. Identifying target audiences enabled the recognition of a need to adapt themed contents and materials and to choose partners close to these groups, to better develop training initiatives.



The goal to be achieved had to obey a pragmatic vision based on the definition of priorities. For this reason, over these ten years, financial training has been structured around progressively more diverse audiences, with the combined efforts of an increasingly wide range of partners.

However, despite the progressive broadening of its action, the Plan have not been able to reach all audiences. Partners have not yet been found for some target audiences, in particular young people finishing compulsory education and vulnerable groups.

The Plan has managed to establish important partnerships and reach a wide range of target audiences, but it was not always possible to achieve the desired scale in the initiatives promoted. The coverage of actions on the ground has sometimes fallen short of what was intended, despite the focus on awareness-raising initiatives around relevant dates and events, with the support of the Plan's partners, digital channels and invitations to the media.

## New challenges

New challenges have emerged that should also be addressed in the Plan. The outbreak of the COVID-19 pandemic brought about unforeseen events that increased financial risks for households and enterprises. Concurrently, the digital transformation process has reached an unexpected rate of growth, driven by the need to mitigate the impact of lockdown and social distancing measures. These trends have been compounded by the recognition of the urgent need for everyone to contribute to a faster transition to a sustainable economy, namely when making choices with financial impact.

### Increase in vulnerability

The lockdown and social distancing measures adopted during the COVID-19 pandemic had a huge impact on the economy and therefore on household finances, albeit somewhat unevenly. The negative shocks, usually associated with the particular circumstances of each household (unemployment, illness and divorce), were, in this context, determined or amplified by circumstances that resulted from measures adopted to mitigate unexpected and cross-cutting risks to society. Households with greater vulnerabilities because of their lower levels of savings, higher levels of indebtedness and/or less protection against risks, were more exposed to the adverse impact of those measures on employment, income and health.

Financial resilience, construed as the ability of individuals and households to withstand, mitigate and recover from negative financial shocks, has thus become a new priority for the Plan.

It is now recognised that consumers' financial vulnerability can take many forms and be the result of different circumstances, requiring a multi-layered approach to its mitigation, in which financial education has a major role to play.



## Accelerating digital transformation

The pandemic reportedly accelerated the digitisation of products and services in Europe by seven years<sup>12</sup>. The escalation of the digital transformation process has strongly affected the financial services sector. Digital channels are increasingly important in the procurement of financial products and services, new products and traditional products with new features are emerging and new service providers are entering the retail markets, in a context where national borders are blurring through the cross-border provision of services.

Digital channels are more convenient and provide faster procurement of products and services, but using them also carries risks, including cybercrime and fraud, with direct costs for victims and lower trust in digital financial services<sup>13</sup>. The greater speed and ease in contracting through digital channels also tends to exacerbate behavioural biases (such as impulse decision-making) and leads to excessive borrowing.

Greater digitalisation is not equally matched by the entire population, exposing those with lower digital skills to greater risks, even excluding those who are not digitally literate.

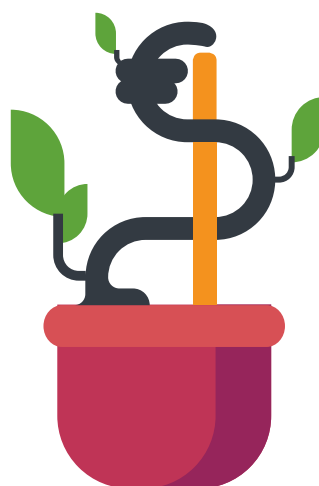
12 Lagarde, Christine (November 2021) "Learning from Lisbon: recovery and resilience in Europe", Speech by the President of the ECB, on the occasion of the 175th anniversary of the Banco de Portugal in Lisbon.

13 According to the G20/OECD INFE (2017), digital financial services are those using digital technology, including e-money, financial services provided through mobile or online applications, interactive ATMs and branchless banking services whether through financial or non-financial institutions. They can encompass various monetary transactions such as depositing, withdrawing and sending and receiving money, as well as other financial products and services including payment, credit, saving, pensions and insurance. They can also include services such as viewing personal financial information through digital devices.

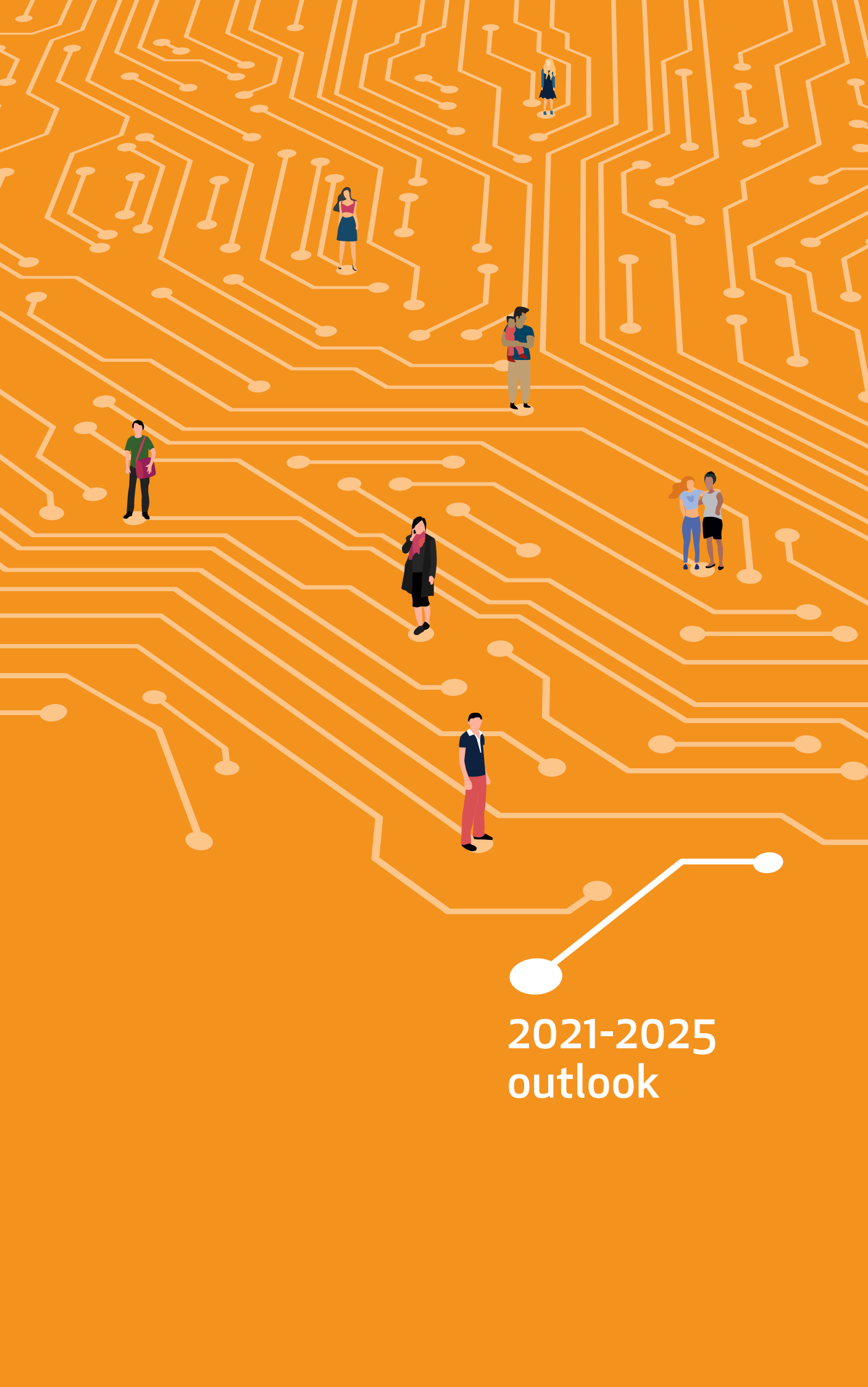
## Promoting a sustainable economy

With the pandemic, concerns about climate change have increased, recognising its impact on the quality of life and health conditions of the population. The importance of the challenges to be tackled requires everyone to make an effort to foster a more sustainable economy. Consumers of financial products are called upon to contribute to this collective goal in their choices.

The transition to a more sustainable economy depends on making the appropriate decisions in managing the household budget that considers the reuse of goods, fostering a more circular economy. The environment wins and so do the consumers. In applying their savings, consumers can now choose from a range of investment products (such as green bonds and loans) which channel funding to projects with environmental, social and governance concerns, contributing to a more sustainable and resilient growth model.







2021-2025  
outlook



The Plan maintains the ambitious approach for the next five years, set out in 2011, of fostering financial education for the entire population.

As regards financial education, the Plan still covers the encouragement of appropriate financial attitudes and behaviour as well as an improvement in the population's level of financial knowledge. Under these three pillars that define the financial education, new concerns have taken on particular relevance and should be integrated into training initiatives. With the COVID-19 pandemic, conditions inducing greater vulnerability in households and firms have increased, and greater importance has been attached to building up financial resilience. Digital transformation has also accelerated sharply with a very significant impact on the growth of digital financial services. Simultaneously, the pressing need to develop a more sustainable economy has been recognised.

With the same ambition as 10 years ago, but against a particularly challenging background, the Plan reflects on the strategic options and sets priority lines of action for 2021-2025.

In order to carry it out, the Plan will continue to invest in strategic partnerships and will have to make use of technological innovation to reach new audiences and to act faster with the population.

## Strengthening partnerships, intensifying digital delivery

### Strengthening partnerships

The extension of the Plan's action to all audiences requires the establishment of new strategic partnerships with entities that are close to these audiences. To extend the Plan's action, the work carried out within the scope of existing partnerships needs to be intensified.



The implementation of initiatives by partners close to the various audiences allows specific needs to be better identified, messages to be adapted, and materials to be prepared and provides for a greater capacity to raise awareness and engage these audiences in financial education.

### Intensifying digital delivery

The increased use of the internet and social media allows the Plan to scale up and disseminate financial education messages to wider audiences.



The acceleration of the digital transition, as a result of the COVID-19 pandemic, led to an increase in the number of users of these channels, allowing their widespread use, as a complement to face-to-face financial education.

Digital platforms became a convenient channel for financial training initiatives extended to large audiences over a large area, allowing the Plan to increase capillarity and extend

its initiatives with a more efficient use of resources. However, financial education through traditional media still has a relevant and decisive importance for audiences with lower digital skills.

Social media have also grown in importance and are increasingly becoming the preferred channel for reaching young audiences or audiences outside the scope of the Plan's partners.

The media is still considered the partner to be brought into the Plan, recognising that some groups of the population can only be reached through the traditional media, either via national or local programmes.

## Strategic dimensions of action

To pursue the work of the past 10 years and respond to new challenges, the Plan chooses the strengthening of financial resilience, the fostering of digital financial education and the contribution to sustainability as strategic dimensions of its action for 2021-2025.

### Strengthening financial resilience

Fostering financial resilience aims to empower households to respond to unexpected adverse shocks, enabling them to maintain the ability to meet their financial responsibilities and ensure their financial welfare.

As financial education is understood to be the combination of financial attitudes, behaviours and knowledge, higher levels of financial literacy can contribute to help building the resources needed to cope with these negative shocks to household income and foster behaviours that induce greater financial resilience around budget management, savings, access to credit and risk management. The need to anticipate unexpected future expenses, the adequate use of credit and the appropriate risk coverage, as well as the option to diversify investments, can promote greater financial resilience.



#### Training priorities

- Encourage the exercise of family budget planning and management;
- Raise awareness of the importance of saving habits;
- Disclose the characteristics and risks of the main financial products for a well-informed application of savings;
- Disclose the financial products to cover risks associated with investment products and their features;
- Raise awareness of responsibilities arising from borrowing;
- Disseminate the implications of over-indebtedness and measures to prevent and manage arrears;
- Raise awareness of the importance of financial planning for retirement and the financial products available for this purpose, their features and risks;



- Encourage precautionary habits and raise awareness of the notion of risk, disseminating the characteristics of insurance and its role in risk mitigation;
- Disseminate basic financial knowledge.

## Promoting digital financial education

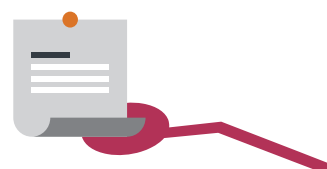
The intensification of the digital transformation process has underlined the importance of strengthening people's skills for safe and confident use of digital financial products and services. Digital financial training contributes to empower the population to use digital financial services, adopting behaviours to protect their personal data, preventing fraud and cybercrime and taking into account their financial decisions and the behavioural biases to which they may be more exposed to in digital channels.

Promoting confidence in digital financial services, creating conditions for their benefits to materialise and mitigate the risks associated with them, is based on an adequate knowledge of their features, whether of traditional products with new characteristics or of new products and new digital players (e.g. electronic money, instant payments, electronic wallets, crowdfunding, P2P loans, very short-term online credit, crypto-assets, InsurTech etc.).

Digital financial education promotes the acquisition of know-how, skills, attitudes and behaviour required to properly use digital financial services and digital technologies in the context of making personal financial decisions<sup>14</sup>.

### Training priorities

- Promote well-informed access to financial products and services through digital channels;
- Promote the safe use of digital financial products and services, encouraging appropriate cybersecurity and online fraud resilient behaviours;
- Raise awareness of behavioural biases encouraged by access to digital channels;
- Disseminate the features and risks of new digital financial products and services (e.g., crypto-assets, digital currency, payment initiation and aggregation services, InsurTech);
- Raise awareness of the emergence of new service providers in this market and the growing cross-border offer of financial products and services;
- Contribute to digital financial inclusion by mitigating the different levels of digitalisation of the population.



14 OECD (2018) "G20/OECD INFE Policy Guidance on digitalization and Financial Literacy".

## Contributing to sustainability

Financial education has a role to play in making decisions that build up sustainability, whether in managing the household budget, planning savings or choosing financial products.

Financial education can and should raise awareness of the importance of individual consumption decisions and choices of financial products and services that take into account the environmental, social and governance dimensions of sustainability.

It should also make consumers aware of the importance of their choices in channeling resources towards investments that enable the economy to move towards a more sustainable growth model.

Consumers and investors should increasingly consider the impact of their financial choices on sustainability.



### Training priorities

- Foster circular economy<sup>15</sup> in household budget planning and management;
- Disseminate the features and risks of financial products that promote environmental, social and governance sustainability (ESG)<sup>16</sup>;
- Raise awareness of the existence of investment products with different sustainability features;
- Alert to the risks of spreading misleading and insufficient information on ESG factors regarding financial products and services (Greenwashing);
- Disseminate the information obligations on ESG factors that are incumbent on enterprises, investment funds, pension funds and life insurance;
- Raise awareness of the impact of environmental policies and climate change on the evolution and development of the economy and the importance of insurance in mitigating these risks.

<sup>15</sup> The circular economy promotes the reuse, recovery and recycling of materials and the use of renewable energies.

<sup>16</sup> Acronym ESG identifies economic sectors, firms or projects where environmental, social and governance issues are a priority.

# New priorities

To accomplish the new priorities established for 2021-2025, the Plan presents, a set of strands of action to be implemented over this horizon. These strands entail the establishment of new partnerships, or the strengthening of work carried out under existing partnerships in tandem with a focus on the use of digital channels to increase the scale and capillarity of financial education initiatives.

Partnerships will focus more on promoting the financial resilience of households and enterprises, on the digital financial education and on contributing to a more sustainable economy.

## Line of action 1: Financial education in schools

- Review the Core Competences for Financial Education, with a view to integrating new subject matters, such as digital financial services, safe use of digital channels, circular economy and sustainability, as provided for in the Cooperation Protocol concluded between the Ministry of Education and the financial supervisors<sup>17</sup>.
- Boost the teacher training programme, supporting teachers in addressing the new topics in the Core Competencies for Financial Education.



## Line of action 2: Financial education in the workplace

- Establish new partnerships to progressively extend the project of financial education in the workplace to a larger number of public sector entities, as started under the partnership between the General Secretariat of the Ministry of Labour, Solidarity and Social Security and the financial supervisors.
- Also extend partnerships to private sector entities.
- Focus financial training in the workplace on topics related to financial resilience, namely savings, and their application, retirement planning, loans and the role of insurance in risk mitigation.



## Line of action 3: Financial education through local authorities

- Extend to local authorities in different regions of the country, through partnerships with their Regional Coordination and Development Commissions (CCDR), the financial education project started in the Northern region, as part of the partnership between the Norte Portugal Regional Coordination and Development Commission (CCDR-N) and the financial supervisors.



<sup>17</sup> Protocol signed on the 25<sup>th</sup> of October 2021 (<https://www.todoscontam.pt/noticias/assinatura-do-protocolo-de-cooperacao-entre-o-cnsf-e-o-ministerio-da-educacao>)

- Take advantage of local authorities' networks, including their consumer and entrepreneurship offices, local business associations, local media and municipal libraries, to promote financial education initiatives with high regional capillarity among different audiences and strengthen their financial resilience.

### Line of action 4: Financial education for the employed or unemployed

- Review and update Short-term Training Units (UFCD) of the Financial Education Competence Framework, aiming to include the themes of financial resilience, digital financial services and sustainability.
- Stepping up professional training courses, within the scope of the partnership between the Portuguese Institute of Employment and Vocational Training and the financial supervisors, supporting trainers in dealing with the new topics to be included in the STTU.



### Line of action 5: Financial training of micro, small and medium-sized enterprises

- Integrate the topics of sustainability and new financial products, such as those marketed via digital channels, crowdfunding and crypto-assets, in the training courses aimed at entrepreneurs and managers of micro, small and medium-sized enterprises, promoted under the partnership between the IAPMEI, Turismo de Portugal and the financial supervisors.
- Adjust the training contents and the Plan's strategy of action with the business public, according to the conclusions of the 1<sup>st</sup> survey on the financial literacy of managers of micro, small and medium-sized enterprises, carried out in 2021.



### Line of action 6: Partnerships with institutions that support citizens

- Establish a partnership with the Directorate-General for the Consumer (DGC) to provide financial education to the Assistance Network for Indebted Consumer (RACE), Local Government Consumer Information Centres (CIAC) and other institutions that support citizens, aiming to reinforce financial literacy of vulnerable audiences including groups at risk of over-indebtedness.
- Develop awareness and training initiatives, under these partnerships, on topics of financial resilience, including household budget management, access to credit and the prevention and management of defaults on credit agreements, and exploring the role of insurance in risk mitigation.



## Line of action 7: Awareness-raising campaigns targeting young people

- Promote financial education campaigns for young people through digital channels and in particular, social networks, with a view to quickly and media-efficiently reaching a very broad group of young people, who are a particularly receptive audience to this type of communication.
- Raise awareness of young people, through these campaigns, of the safe use of digital channels, the features and risks of new digital financial products and services (such as crypto-assets) and of the issues of sustainability and the transition to a more circular economy.



## Line of action 8: Traditional media campaigns

- Strengthen the Plan's presence in traditional media, such as national and local TV and radio, to bring financial education to populations with lower digital literacy, including senior citizens and other vulnerable groups.
- Promote information and awareness-raising campaigns on issues related to financial resilience and the safe use of digital financial services through traditional media.



# Goals and assessment

The goals to be achieved with the financial education initiatives are difficult to quantify from a medium-term perspective, as they are conditioned by the availability and involvement of the Plan's stakeholders and by the inevitable restriction of the means to be allocated.

The desired quantification of objectives, as a reference for the evaluation of results achieved, will be carried out on an annual basis. The preparation of the Plan's usual activity programme, which comprises the initiatives of the supervisors and their main stakeholders, will continue to be an exercise of the utmost importance and the benchmark for the report on activities carried out, which is also submitted every year to the Plan's Monitoring Committee.

The activities developed under the Plan should be monitored on an ongoing basis, with the necessary gathering of information on the number of initiatives implemented and their participants, as well as the means used to carry them out.

However, the monitoring of the initiatives developed is recognised as not allowing for their desired impact to be assessed. It is therefore a priority to step up the evaluation of each of the initiatives, with emphasis on assessing, where possible, the knowledge before and after each training initiative carried out. This task is supported by surveys, with

or without a control group. This methodology is particularly suitable for the evaluation of training initiatives of trainers, where a large part of the financial supervisors' actions are concentrated, to promote the multiplying effect of their initiatives.

However, not all financial education initiatives are susceptible of being submitted to this evaluation methodology, as is the case, for instance, of awareness raising and/or short-term training initiatives. In these cases, satisfaction questionnaires will continue to be conducted to assess the suitability of the subject matters covered, the duration of the initiatives and the methodologies adopted, as well as to evaluate the performance of the trainers.

The adoption of monitoring and assessment practices by all partners and the sharing of their outcome is therefore key to obtaining a complete analysis of the work done in encouraging financial literacy.

However, the assessment methodologies still do not allow the impact on changing attitudes and behaviours of the population involved in the initiatives carried out to be measured.

While acknowledging these limitations, financial supervisors will continue to carry out financial literacy surveys on the Portuguese population every five years. These surveys, based on a random sample of respondents, are not intended to provide a direct assessment of the Plan's activity, but are essential to monitor changes in attitudes and behaviours, as well as in the financial literacy of the population, supporting the Plan's choices in terms of training priorities.

Given the maturity already reached, the Plan is also open to participating in assessment exercises of the national financial education strategy that may be offered within the framework of international fora, based, *inter alia*, on peer reviews.

