# INFORMATION BULLETIN SEPTEMBER 2018



# **FINANCIAL LITERACY MATTERS**







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# FINANCIAL LITERACY: IMPLEMENTATION AND INNOVATION

I am glad to present you the 10th edition of the news bulletin for "Financial Education and Financial Literacy" Project in Russian Federation. Ministry of Finance of the Russian Federation along with the World Bank have been implementing the Project since 2011 and by now it covers a large and diverse target audience: from preschoolers to adults and senior citizens. We especially put the emphasis on working with children and young people as well as families, because financial attitudes and effective behaviour in dealing with money are formed during childhood and are tested out in a family environment. This autumn the results of the Project will be presented at two major events — Moscow Financial Forum, organised by Minfin of Russia and Moscow City Government, as well as the OECD-Russia Global Symposium on Financial Literacy: "Advancement of financial literacy in the world: implementation and innovation". Over the course of the Project's seven year-run we have built a system enabling the spread of financial literacy in Russian regions and created a unique range of educational materials. The basics of financial literacy are now being taught in schools, universities and out-of-school learning institutions. The best results in increasing the level of financial literacy are demonstrated in the regions that have played an active part in the Project in the past few years. The Project's pilot regions have become important hubs that can share their experiences in the field with the other areas.



**Foreword by Sergei Anatolyevich Storchak,** Deputy Finance Minister of the Russian Federation

We expect our work to become a factor in the sustainable economic growth of our country and increase in the population's wellbeing. We hope the readers will find plenty of interesting and useful information in this bulletin and take upon themselves to test out the methods mentioned in it. Moreover, we anticipate the major forums that the Project is taking part in this autumn 2018 to effectively serve as platforms to exchange experience. We are awaiting your innovative ideas in the field of financial literacy!

### IN THE SPOTLIGHT







Anton Siluanov, First Deputy Prime Minister of the Russian Federation, Minister of Finance of the Russian Federation, at the school №4 in Balabanovo and at the Regional Financial literacy centre in Tomsk region.

# A LESSON FROM THE MINISTER OF FINANCE

First Deputy Prime Minister of the Russian Federation — Minister of Finance of Russia Anton Siluanov personally supports the "Financial Literacy and Financial Education". In March, 2018 the head of Minfin of Russia held a lesson in financial literacy for students of School №4 in Balabanovo (Kaluga region) and visited the regional centre for financial literacy in Tomsk region.

Anton Siluanov spoke to 11th grade students about finances, how to plan one's own budget, as well as how the state budget is formed. Students asked him questions about taxes, cryptocurrencies and financial pyramids amongst other topics. During the lesson Anton Siluanov offered a problem for the students to solve: how to balance out the budget if it is in deficit. Based on this problem he explained which articles of budget expenditures are prioritised by the government and what are the downfalls of taking out too man loans. Extracurricular lessons on financial literacy

have been implemented in 2016. The practice of teaching the ABCs of financial literacy in schools was started in pilot regions and each year more and more regions include financial education.

During his official visit to Tomsk region, one of the 9 pilot regions of the Project, Anton Siluanov visited the regional centre for financial literacy and described it's work as positive.

"Tomsk region is leading in the field of improving the financial literacy of the population, — said Siluanov. The successful example

of Tomsk region needs to be shared and relayed with the other regions". Elena Kuzmina, Head of the regional centre for financial literacy of Tomsk region, mentioned the results achieved throughout the run of the Project: "According to the monitoring statistics, the percentage of overdue loans in Tomsk region is 15% less than average in Siberian Federal District, wherein the proportion of overdue mortgage loans is three times lower. Only 45 for every 1000 of economically active people in Tomsk region have a micro loan — the lowest statistic in all of Siberian Federal District"

### **STRATEGY**



# Target audience

















# KEY INFORMATION

In 2017 Russian Government approved "National Financial Literacy Strategy for 2017–2023". This document that was in the works for almost three years opened a new chapter in implementation of financial education at the federal level.



# ANTON SILUANOV, First Deputy Prime Minister of the Russian Federation — Minister of Finance of the Russian Federation

"The strategy, approved by the Government, will form the next stage of financial literacy development in our country. A systematic approach, unified coordination, dissemination and employment of the most effective practices, devised by the Minfin of Russia and other stakeholders will set the grounds of financial culture amongst our population for years to come. Economic and social stability of our country depends on the rate of financial literacy of the public-at-large. Development of financial education lessens the risks of indebtedness of the general population, teaches how to avoid financial fraud from dishonourable market players, gives people an opportunity to effectively plan their own budget as well as make investments with competence".



# SERGEI STORCHAK, Deputy Minister of Finance of the Russian Federation

"The strategy is aimed at the most diverse demographics, but our core target audience is school and university students as they represent the future of Russia, along with the socially vulnerable groups, such as pensioners, low-income families, people with disabilities. Unfortunately, senior citizens in Russia often fall victims to financial fraudsters and the price they pay for their uninformed financial decisions is too high. Our goal is to help them by teaching them about financial security, protect them as financial service customers".





# ALEXEI KUDRIN, Chairman of the Accounts Chamber of the Russian Federation

"The economic situation is changing rapidly these days. But no matter what global events might influence it, a financially literate person should be able to handle most changes. In unforeseen circumstances they would be protected by a financial safety cushion. In more predictable situations financial literacy skills help citizens effectively plan their personal budget, make financial decisions that correspond with their long term interests, avoiding excessive indebtedness and recognise possible financial risks and fraud".



# ANDREY BOKAREV, Head of Department for International Financial Relations, Head of the "Financial Literacy and Financial Education" Project of Ministry of Financy of the Russian Federation

"Minfin of Russia has initiated the development of the strategy based on the experience of Financial Literacy Project. We aim to disseminate the most effective programmes and practices to realise in all Russian regions in coordination with other key stakeholders involved in the same sphere. Around 60 countries all over the world are either working on national financial literacy strategies or have them implemented already and we used their experiences to our best advantage".

The Financial Education and Financial Literacy Project for the Russian Federation is a joint project of the Ministry of Finance of the Russian Federation and the World Bank

# **Project Goals**

- Shaping of rational financial behaviour.
- Development of financial education and awareness-raising.
- Financial consumer protection.

# **Target Audience**

- Children
- Youth
- Adults
- Senior Citizens

# **Good Ideas Fund**

More than **80** grassroots initiatives were supported.

The know-how of the 9 pilot regions are used in implementation of the comprehensive financial literacy programmes all over Russia.

- Altai region
- Arkhangelsk region
- Kaliningrad region
- Krasnodar region
- Republic of Tatarstan
- Saratov region
- Stavropol region
- Tomsk region
- Volgograd region









Education 3 federal train trainers centres for school teachers, university lecturers, tutors and more than 40 regional branches are established throughout the country.

More than 40 educational programmes developed at national level for all target audiences — from preschoolers to adults.

More than 17 000 teachers of general and

**800** university lecturers.

vocational education.

More than **6000** tutors in the financial literacy sphere.

Over 5000 consultants.

# Financial Consumer Protection

**140 000** complaints from financial services consumers were processed. **84** consulting centres of Russian Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing (Rospotrebnadzor) are operating all over the country.



# **Public Information Campaign**

Media and social network coverage of over 110 million people.

- 4 annual financial literacy weeks for children and youth with over 5 million participants.
- **3** National Savings weeks with over a million participants.
- 12 international and Russian media awards won by the Project.



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# UNIQUE **EDITION**

Ekaterina Lavrenova, educational expert and text books author spoke about financial literacy learning kits developed for the Project. In 2018–2019 an edition of 8 million copies of the learning kits will be disseminated in Russian regions.



Prior to developing the financial literacy learning kits, our experts analysed the international practice in the field and worked out a core competences framework on financial literacy for school students. Based on this data a concept for an educational programme was created, which in turn led to the development on the learning kits.

Out now: 17 learning kits, 83 publications for different target groups:

- 2nd-4th grade students
- 5th–7th grade students
- 8th–9th grade students
- 10th–11th grade students of various majors
- · students in vocational education
- students in orphanages.

As well as that, were prepared the thematic modules highlighting the most relevant financial literacy topics, such as "Banks", "Insurance", "Financial security", "Starting a business", "Stock market", "Pensions".

Each learning kit includes several materials:

- textbooks for students
- an educational programme
- textbooks for tutors and lecturers
- textbooks for parents
- · a workbook for students.

Our programme places great importance on involving parents in their children's financial education.

We have created a special textbook for parents: it explains how to engage children in solving financial issues in families and how to teach them to be money savvy. It also highlights the importance of savings and being responsible with energy resources.

# What are the financial literacy lessons about?

> Following topics are discussed at the financial literacy lessons: income and expenses, lending, personal savings, consumer rights protection, insurance, investments. From the learning kit the students learn about financial planning, managing



use of various financial services. Students find out about financial risks and the basics of financial security, economy and financial arithmetics. The main goal is to base the teaching process on practical life situations. Financial literacy learning kits give children valuable skills to solve financial problems that anyone can face. It's important to teach students to make their way through the financial landscape: to invest smartly, to decide whether they really need a loan before taking one out, to choose the correct financial product (be it a bank card, life insurance etc.) To make the teaching process engaging the textbooks have plenty of fun tasks (developing their own projects, solving cases, discussions and

personal budget and informed

by an educational institution as part of the extracurricular lessons on financial literacy. While it is not a compulsory subject, plenty of students these days choose

> A lot of work is currently being done in Russia to introduce key elements of financial literacy into federal state educational programmes. Social studies subject already has incorporated certain elements of financial literacy, so the learning kits will be useful for tutors and 8th-9th grade students. Besides Social studies, following

thematic modules on financial literacy: Economics, Law, Life safety, English, Geography and Mathematics. Modules for History and IT are currently in the works. Altogether, a wide variety of training packages for school students and students of secondary vocational institutions was created for the Project. Each institution gets to choose how to introduce financial literacy education in to their timetable, whether compulsory or extra curriculum.



# **KRISTALINA GEORGIEVA: "STUDENTS KNOW MORE ABOUT FINANCIAL** LITERACY THAN ADULTS"

In January 2018 Chief Executive Officer of the World Bank Kristalina Georgieva participated in an open financial literacy lesson in school №1253 in Moscow. She spoke to RBK-TV channel about the lesson and her experience with the Project thus far.

The joint financial literacy and financial education advancement project of MinFin of Russia and the World Bank has been running for seven years. Today you visited a school in Moscow to take part in an open lesson in financial literacy. What are your thoughts?

> I really enjoyed it! I wish financial literacy lessons like this one were around when I was in school. Russia is leading the way. It's the first country that has assumed the responsibility to prepare young people for working with financial instruments. And I can tell, that it's not only important for young people, but for their parents as well. I am sure that they help their parents, grandparents. This world is changing rapidly, it's really important to be flexible, ready and willing to learn about the new technologies. I believe, that Russia made the right decision in starting this programme and many other countries are now learning from Russia's experience.



Chief Executive Officer of the World Bank Kristalina Georgieva (right) in school №1253 in Moscow

You mentioned responsibility, and it is also a financial responsibility on Russia's part. Would you say it is a justified investment?

> I think it's an important investment. By the end of 2019 around thirty thousand Russian teachers will be able to correctly explain to their students what is financial literacy, which is crucial for such a huge country. On top of that we can already

see the positive changes this investment has brought — Russia went from 10th to 4th place in the international ranking of financial literacy amongst children and the youth. This Project is helping to restructure the educational system in Russia as it calls for discussions and interactive learning instead of passive memorising of countless texts. It's a great investment for Russian economy.

# THE RISE OF THE RATE OF FINANCIAL LITERACY AMONGST SCHOOLCHILDREN

According to the international survey of financial literacy of the Organization for Economic Cooperation and Development (OECD) within the framework of the International Program for the Evaluation of Educational Achievement of Students (PISA-2015), Russian 15-year-old students took the fourth place. Russia scored higher than the Netherlands, Australia and the US, significantly improving the 2012 statistics and rising from 10th place.

# ACHIEVEMENTS OF THE RUSSIAN YOUTH

Average percent of task completion:



The best results were show in following tasks:



Application of financial knowledge and understanding



Information analysis in financial context



The Russian part of the survey covered:





## ANNA VALKOVA, Deputy Head of Head of the "Financial Literacy and Financial Education" Project of Ministry of Finance of the Russian Federation



There are several ways of inserting the basics of financial literacy into the educational system in Russia. The first one — introducing it as a separate compulsory subject — is not ideal as there is a lot of talk about how oversaturated the school curriculum is and how overwhelming it is for students. So we chose other ways of doing it. The federal law on education allows

schools to independently choose their extra curriculum classes and electives. It gives them an opportunity to provide basic financial literacy education outside of the regular programme. Each school, region, city can make that decision independently. As well as that we are working on incorporating certain elements of financial literacy education into the compulsory subjects.

# **FREEZE-FRAME SHOT**































# CONSUMERISM REACHES RUSSIA AND LEADERS RESPOND WITH A FINANCIAL LITERACY PUSH

MOSCOW — Directly across Red Square in the shadow of the Kremlin and St. Basil's Cathedral sits the Gum mall, a large shopping mecca boasting brands from Dior to Vuitton. You can buy a bag from Prada or sunglasses from Gucci, or just gather yourself at the Beluga Bar over black caviar. And it is busy. Very busy.



Dan Kadlec, finance journalist, founder and editor of Right About Money, an online platform that reports on the global effort to raise the financial literacy of individuals.

Consumerism has found its way to Russia, and not just at the mall. Tourists travel to this city rich with culture from many countries, and the government likes what it sees. Shortly after the World Cup final here on July 15, President Vladimir Putin announced that the hundreds of thousands of football fans visiting from other countries may keep their "fan pass" credentials and return without a visa anytime they like through the end of the year.

The economy is opening, and with this change has come a proliferation of choice and individual responsibility unfamiliar to most Russians. Unsure how to manage the transition to a market economy, officials in 2006 began investigating financial literacy programs as a partial solution.

"We thought our problems were unique," says Anna Zelentsova, strategic coordinator of Russia's Financial Education and Financial Literacy Project. "We were surprised to learn that developed nations also have problems like low savings rates, insufficient emergency funds, and reliance on payday lenders."

I spoke with Zelentsova, who is also a member of the OECD advisory board on financial education, at the Four Seasons Hotel, a short walk from Red Square. She described a leadership that believes firmly in financial literacy as a cornerstone of the national plan to speed the development of markets and an economy where individuals do not rely so heavily on the government for their long-term financial security.

In 2011, after a half-decade of studying other countries' financial education efforts, Russia introduced a variety of pilot programs targeting every age group. In 2017, Russia became one of about 60 nations with a formal national strategy for financial literacy. These nations generally have come to understand that a moneywise population will help their economy grow, minimize the effects of downturns, and shore up retirement savings. Russia committed \$130 million over five years, largely to develop programs and curricula, train teachers and print 8 million textbooks that were revised and distributed this year.

So, the real push is only beginning, and it promises to be a lengthy undertaking. Russians have low levels of financial understanding. Just 59% trust banks and more than 60% are not willing to take responsibility for their financial security, according to the Financial Education and Financial Literacy Project. Only one in five believes they will be dealt with fairly in the financial markets.

Past experiences may validate these concerns. Over the past decade, many Russians tiptoed into the mortgage market. To get the lowest rate, they



Anna Zelentsova (pictured in the center) moderator of the session on financial literacy at the Moscow financial forum 2018.

commonly opted for a mortgage denominated in a foreign currency. When the ruble collapsed amid a decline in oil prices in 2014 these mortgage holders were wiped out. Falling oil prices prompted other oil-rich nations to rethink their economy, too, and embrace financial education.

Russians also have no obvious incentive to save. This has traditionally been a managed economy where individuals pay no income tax. The burden is entirely on employers. Individuals have little idea how much the government collects and how much they contribute through lower wages. In such an environment, encouraging retirement saving is difficult. Tax-advantaged accounts like 401(k) plans and IRAs are of no use where workers do not distinguish between pre- and post-tax income.

With Russians shopping more, especially where it concerns a proliferation of financial products such as insurance, bonds, and — to a lesser degree —stocks, consumer education and protection is a primary focus. Contrary to the U.S., where the Consumer Financial Protection Bureau is being reined in, Russia is strengthening its consumer protections.

Consumer issues are one of four pillars girding the national strategy for financial literacy. The other three are understanding risk and reward, the role of an emergency fund, and managing credit. The country has specific goals in all these areas.

In coming years, the national strategy will also incorporate goals around understanding bank deposit insurance, avoiding financial scams, and profiting from compound growth over long periods of time, Zelentsova says.

Russia has programs to reach workers and retirees through TV

and social media campaigns and events like national savings week. But, says Zelentsova, "the kids are most important." More than half of the nation's financial education resources are devoted to reaching kids in school and through things like entertaining cartoons with a message. They have a national mandate that financial literacy be incorporated into every child's school day.

There are signs it is working. In a 2015 assessment of 15-year-olds financial know-how, Russia ranked 4thamong 15 nations — ahead of Australia and the U.S., both of which have robust financial literacy resources. In this assessment, Russia showed the biggest gain of any country compared to the 2012 assessment.

"We are very proud of what we have done," says Zelentsova. She knows it is only a start. But as tourists in the window mill around Red Square and the Gum teems with shoppers, she also knows it is long overdue.

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## **REGIONAL PRACTICES**

# Krasnodar region

# FINANCIALLY LITERATE HOLIDAYS



MinFin of Russia is incorporating elements of financial literacy education into the curriculum of the educational and athletic summer camps. The main goal of the activities is to introduce the basics of personal budgeting, entrepreneurship, rules of financial security to children in a form of edutainment.

In April 2018 the All-Russian Children's Center "Smena" in the Krasnodar region (where children from all over the country go) held a series of teaching lectures, master classes, business games, and discussions on the topic of financial literacy. Participants of the April shift were the student winners of the All-Russian competition "I am a citizen of Russia". Following lectures were had during the four day long financial education

module in the children's camp "Smena": "Financial literacy and financial planning", "Personal entrepreneurial project" as well as games "ABCs of financial literacy" and "Business titans". Children took part in communicative battles, quests and games on the most important discussion topics of financial literacy. In June 2018 the Project's experts along with tutors, regional coordinators, educational material developers and journalists discussed the topic of financial education in summer camps at a conference in the All-Russian summer camp "Orlyonok" in Krasnodar region. More than 20000 children visit the camp every year. Game product developers and Project experts conducted tournaments with children at "Orlyonok", featuring games like "Financial

organisations' services", "The ABCs of financial literacy" and "Money can't buy happiness", created within the framework of the Project. The children enjoyed a variety of exciting competitions, in which intelligent financial behaviour can be modelled based on concrete life situations. Gaming formats in the financial literacy training are focused on the formation of the right environment and training skills, they strive to reflect real life situations and create the conditions for acquiring personal experience.

Under the terms of one of these games, each team became a household that received a salary every year and decided what to invest in order to earn income and improve their well-being by buying the squares of the playing field. The teenagers took on the task seriously. To multiply their funds, they applied to a bank, an MFI, an insurance company. When communicating with market players the teenagers had to show special vigilance. In the game, as it is in life, financial organisations may behave dishonestly sometimes. So the participants stood up for their rights — they appealed to the court and Russian Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing.

# Kaliningrad region

# **FINANCIAL LITERACY IN MY FAMILY: WE KNOW WHY IT IS NEEDED**



Since 2014, the Ministry of Finance of the Kaliningrad region together with the Central Library System has been holding an annual family competition "Financial literacy in my family:

we know why it is needed" for families with children aged 3 to 18 years old.

Participants create works on financial topics in one of the categories. The contest is held in two stages: extramural and full-time.

Award ceremony always takes place in a festive atmosphere, in the format of a holiday for the whole family.

Every year the children prepare colourful piggy banks, drawings, illustrated books, homemade books, posters, play scenarios and scenes, creative installations. Last year a wide range of professionally made videos about financial literacy in the family was shown at the competition. Each year the competition is spreading further out, covering new city councils while the number of works submitted for the competition is also increasing. The jury notes, that the works' quality is also on the rise. More than 1500 families took part in the competition over 4 years.

# Stavropol region

# **VOLUNTEER MOVEMENT**

Students of regional universities have been working on a volunteer basis to promote financial literacy in the Stavropol region since 2015. The academic year (2015-2016) marked the beginning of a lot of work for the volunteer group "Financier", who are acting on the basis of the Stavropol State Agrarian University. Student developed their own projects for active and business games, quests and interactive lessons for schoolchildren. Every month "Financier" organises cluster games for the children of the region. Especially important for the volunteers was to work with children in orphanages. A volunteer movement group

#FingramotasKFO (Financial Charter of the North Caucasian Federal District) from a Law school is actively working in the field of financial consumer protection. Among the actions held were educational events in various formats: a drawing contest and lessons of the "Financial Alphabet" for toddlers while older children participate in interactive lectures on consumers' rights protection. Volunteers of the North Caucasus Institute, a branch of the Russian



Presidential Academy of National Economy and Public Administration master the schoolchildren's audience not only in the Stavropol Territory, but also in neighboring regions. During the Project, volunteers conducted more than 100 different events, in which more than 4,400 people participated.

## **REGIONAL PRACTICES**

# Volgograd region

# **ADVENTURES OF BELOBOK THE CAT**

"Adventures of Belobok the Cat, or economics for toddlers" is a course created by the team of Volgograd socio-pedagogical college. This course is widely integrated in the educational institutions in Volgograd region, while its methods are used in pre-school educational institutions in Stavropol and Altai regions.



Olga Andreeva, consultant on educational activities in the framework of the implementation of programs to increase financial literacy in the Volgograd Region, spoke about Belobok the Cat and his lessons of financial literacy for the youngest audiences.

# At what age would you recommend starting to teach children finance literacy?

> Children actually get involved in the financial life of the family from an early age, they are faced with advertisement, going to the stores with their parents. At 6-7 years old they become active and ask their parents for pocket money, they want to pay for themselves. Educational course "Adventures of Belobok the Cat or economics for kids" was designed for the financial advancement of older age pre-school children, we teach 6 and 7 year old kids.

Going to the shop or market or bank with your child can be good practice for working out the concepts that the child has already become familiar with during the course.

Tell us about the contents of the educational course "Adventures of Belobok the Cat". > The programme consists of the basic "Financial ABCs" and some additional devisions, such as "Needs and labour", "Money", "Family budget", developing preschoolers' ideas about the main topics of the course through various activities. The whole course is written in the form of a fairy tale with colourful illustrations of adventures of Belobok the Cat, who worked hard and went from being a lazy kitten to a successful and wise business owner cat.

# How was the image of Belobok the Cat created?

> The contents of the educational programme needed to be formatted int something easy for kids to digest. A fairy tale about the adventures of a house cat and his wild, forest friends turned out to be the best choice in our opinion. Kindergarten teachers note that the image of Belobok the Cat is very memorable and engaging for children. As soon as a black and white kitty appears on the teacher's table children understand that a class in financial literacy is about to start. Children are happy to hear stories about Belobok's adventures. "travel" with him and play.

# Altai region

# A FRUITFUL TRAINING

In the Altai region, educational activities are conducted to increase the financial literacy of the population living in rural areas. The training is conducted taking into account the specifics of the financial behaviour of the rural population and the way the financial institutions function in rural areas of the Altai Region.



Head of the Regional training centre in financial literacy for general and secondary education of the Altai region Tatiana Rajskikh talked about the specifics of their work, informed by the geographical and social peculiarities of the region.

# How is the program of educational and educational activities organised in rural areas?

> Educational activities are split into seven areas: personal and family budget planning, small business and personal subsidiary farming, lending, insurance, modern methods of using financial services, personal savings, tax deductions. Activities are mainly conducted in the form of seminars and trainings, as well as talks and discussions. The content of educational activities with the rural population reflects the specificity of employment of the population of rural settlements, including the widespread use of individual entrepreneurship.

# What is the regional specifics of the Altai region?

> Compared with many other regions, we have a fairly low level of income. People with low-income are more prone to financial fraud, some kind of spontaneous purchases, loans in micro finance organisations.

We are a rural region, we have many small settlements. In the villages there are not enough financial institutions, banks, institutions, where you can get financial services, which residents are accustomed to. Therefore, for many of our fellow people, especially the senior citizens, even an ATM is some kind of machine from the future.

Villagers are particularly vulnerable in terms of risking to fall into a debt hole. They simply do not read contracts, do not

understand the consequences. People see a figure of 1–2% on the loan and sign it, not realising that this is a percentage per day!

In the Altai region, the financial literacy program has been implemented since 2014. Of course, there are noticeable positive changes. However, along with the implementation of the program, the specifics of the financial market is changing, and unfortunately, not always for the better. The number of micro finance organisations is growing, accessibility of unreliable financial instruments is increasing, the volume of advertising of dubious financial services is growing.

# How many teachers in the Altai region are trained to teach financial literacy?

> At the moment, 1,278 teachers from different educational institutions have been in training. They are teachers of schools, colleges, orphanages.

Part-time courses last two weeks and full-time is six days of studying financial literacy. These are highly informative courses, where we consider both the theory and methodology of teaching financial literacy.

### **REGIONAL PRACTICES**

# Arkhangelsk region

# **MOVE FORWARD!**



As part of the financial literacy program in the Arkhangelsk region, online educational courses "Development of decision making skills in the area of personal budget

management"
(for students of grades 8–9) and
"Foundations for Responsible Financial Behaviour"
(for students of grades 10–11) were created.
With the help of the website, each

student is trained according to an individual program. In total, more than 5000 schoolchildren from the Arkhangelsk region did the training. Each user can pass the entrance, intermediate and final test, on the basis of which it is possible to assess the level of knowledge and adjust the training path. All tests are generated individually from the bank of test questions taking into account the student's previous achievements. If you choose an incorrect answer to the question, the system will tell the user with special backlighting what you need to pay special attention to. Within the framework of the course, teachers-mentors were also trained, who throughout the course advise and motivate the children.

# Tomsk region

# **LESSONS FROM CELEBRITIES**

The monthly family journal "Your personal finances" has been published since March 2010 with a circulation of 20 000 copies.

The magazine is published in printed and electronic form, is a multiple winner of prizes in the field of financial journalism and financial literacy. In the pages of the magazine the experiences of personal financial planning, entrepreneurship, as well as success stories are shared by star guests: musicians, theatre and film actors, famous businessmen.

The magazine publishes: practical tips;

- journalistic investigative pieces;
- consultations;
- interviews with famous people;
- basics of financial education in the family, etc.

Children's journal "VLFINIK" is an educational tool perfect

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for self-study, family reading, or working on with a teacher in a class setting.

# **Republic of Tatarstan**

# IN NATIVE TONGUE

As part of the programme to improve financial literacy in the Republic of Tatarstan, the training of the citizens of retirement age who live in rural areas will be conducted in the Tatar language. While most of the population in the big cities in Tatarstan fluently speak Russian and participate in the Project, people in the rural areas use Tatar language in the everyday life. As a result, the rural population cannot take full advantage of the resources developed under the Project. This problem is most relevant for elderly citizens who are vulnerable to financial fraud. Within the framework of another



programme, military personnel serving in the territory of the Republic of Tatarstan will learn about financial literacy. The program will be taught in Tatar language. The program is designed to increase the

level of financial literacy among servicemen, because due to the characteristics of their professional lives, they might not have the skills to independently manage their personal finances.

# Saratov region

# IT'S NEVER TOO LATE

An Education Centre "The University of the Third Age" has been established and is working effectively in the Saratov region. The purpose of the Centre is to improve the quality of life of the elderly population, the degree of their social protection, to increase participation in public life. The specialists of the Centre advocate for the fact that the increase of financial literacy in many respects predetermines the quality of life of the elderly person. Within the framework of this programme, persons of the preretirement and retirement age can receive advice on financial issues and financial customer

protection from qualified specialists — representatives of banks, insurance companies, Rospotrebnadzor, Pension Fund of the Russian Federation. They can find out about purchasing and using financial products from the course of public lectures

given by banking and investment experts. Financial education includes lectures and consultations on the current economic development of Russia in general and specifically in the Saratov region

taxes, the specifics of lending and insurance. Practical training is conducted jointly with the Saratov branch of Sberbank of Russia and involves the use of modern banking technologies, safety rules when using banking products, financial services, etc.



# **Training** of tutors and pedagogues

Trained human resources — teachers, methodists, professors, tutors are necessary for the effective introduction of financial literacy basics in educational program.

For that purpose, three systems of methodological provision are created. Each of them has it's own target audience.



Federal Network Methodological Center for improving the qualifications of professors and developing programs to increase the financial literacy skills of students

The Center was established on the basis of faculty of economics, MSU (the Moscow State University).



- qualification-based training program for professors of universities;
- a long-term strategy of FNMC development;

**Developed:** 

- a monitoring concept of the changes in legislation and institutional environment;
- a concept of information interaction including the project of an Internet portal.

950 university professors are trained from 15 regoins of Russia.

2 000 university professors from 30 region of Russia will be trained in the future.



# Federal Methodology Center for Financial Literacy in the System of General and Secondary **Professional Education**

The Center was established on the basis of the HSE (the Higher School of Economics) in 2016.



The methodological network with total coverage of more than 60 regions of Russia

# **Developed:**

- basic qualification-based training program for professors "Content and methods of teaching the financial literacy course", which is last for 72 hours of training;
- programs for variable modules lasting 12–16 academic hours;
- a short-term qualification-based training program for professors "Raising of financial competence of pedagogues" lasting 24 academic hours;
- 12 000 pedagogues, 1500 methodists are trained for general and professional educational organizations. 20 500 pedagogues will be trained in total.



Federal Consultative and Methodological Center for Increasing Financial Literacy of the Adult Population

The Center was established on the basis of the Financial University under the Government of the Russian Federation

# **Created:**

A network of consultative-methodical centers of the financial literacy in 13 regions of Russia

- More than 5000 financial literacy consultants-methodists were trained;
- 17 webinars were held in order to actualize educational programs;
- Consultants-methodists carried out more than 10 000 events, in which more than 1 million people participate.
- The coverage of methodological centers were expended to 62 regions;
- Not less than 6800 consultants-methodists will be trained, not less than 13 000 educational events on financial literacy will be held until February 2019

# **LEARN TO TREAT YOUR MONEY LIKE AN ADULT**

The National Financial Literacy Week for Children and Youth is a part of the Global Money Week.







In 2015, 10 Russian regions were involved in the events, and by 2018 Financial Literacy Week acquired a national scope. The number of events is also growing: for example, in 2015 within the framework of the Week, 300 events were held, and in 2018 the number of events exceeded 25 thousand. 2.5 million people took part in the events of the Week of 2018, which is almost twice as much as in 2017.

In 2018, the Financial Literacy Week took place just before the World Cup, which was held in Russia for the first time. This grand sports event set the mood for the whole Week.

One of the most engaging and popular activities of the National Week was the game "Finball" — a team intellectual quiz that allowed students to test their knowledge of financial literacy and show off their erudition in the football field.

In terms of the number of participants, the **National Financial** Literacy Week for Children and Youth in Russia is leading among countries conducting similar educational activities.

Throughout the country, kindergartens, schools and

universities hosted games, lectures, master classes, intellectual quizzes, plays, quests, creative olympiads. During the Week, the Internet is one of the main channels of communication with the target audience — in 2018 posts on financial literacy in social networks gathered an impressive audience of 2.6 million people. Over the period of the Week on the official portal of the Project, more than 1.1 million views were registered. The partners of the Week — the largest banks and other financial organisations of Russia — conducted over 3.3 thousand events with an audience of 1.47 million people.

# **ANNUAL NATIONAL SAVINGS WEEKS** AND FAMILY FINANCIAL FESTIVAL

Annual education activities for adults more than 5800 events were held



parents learn in an entertaining from how to properly manage money and avoid financial risks. The space of the festival is remodeled into a city of financial literacy, in which the spirit of intellectual competition reigns. Having passed the registration procedure, the festival participants get to the "Bank" where a festival game currency is issued, which can be

thematic zones of the festival, and then used for the purchase of gifts and souvenirs. Adult participants have the opportunity to attend lectures of experts on financial literacy and financial consumer protection, while children

multiplied by visiting various

can create their own handcrafted piece in the "Workshop", then sell it at the "City Fair" for the game currency. In the "Office of Consultants" experts answer the financial and legal questions of the participants. At the festival, children and adults will learn about the origins of money, how to budget and defend their rights in financial relations.

As part of the Annual National Savings Week events, all citizens of Russia have the opportunity to visit free educational online and offline events, use the unique online library of materials on financial literacy, and get consultations with leading experts. In anticipation of the next week a calendar of events is published on the official portal vashifinancy.ru. In it you can find the timetable of classes that take place in each region of Russia, choose lectures on the topics of interest. The traditional Family Financial Festival concludes the series of events and sums up the results of the Week. At the Family Festival the young participants and their

A TOTAL OF NATIONAL SAVINGS WEEKS PARTICIPANTS:



# HEROES OF (NOT) OUR TIME



Could the main hero of Nikolai Gogol's "Overcoat" Akaki Bashmachkin make money by withdrawing money from the infamous box and opening a deposit in the bank? Was Stepan Plyushkin from the "Dead Souls" greedy or rational? Participants

in the academic and practical conference for schoolchildren of grades 7–11 "Learning financial literacy from the mistakes and successes of literary heroes"

know the answers to these questions. The annual creative competition for schoolchildren "Learning financial literacy from the mistakes and successes of literary heroes" is devoted to the analysis of the financial and economic behaviour of the heroes

of famous books by Russian and foreign authors. Contest participants consider the possible consequences of actions of literary heroes and their financial decisions. Students write essays, create illustrations, conduct research on the selected topic and reflect in their work on eternal issues related to the role of money in our life. In 2018, the more than 750 works from the participants. Schoolchildren from 55 regions presented their research work as well as essays, surveys and illustrations on financial literacy in the literature.

# organisers of the contest received independently developed quizzes,

# **SUMMER IS A GOOD TIME FOR YOUR POCKET**

In August 2016 PAKK company organised the first all-Russian financial camp. Schoolchildren of grades 9-11 have a unique opportunity to learn the basics of financial literacy. 922 high school students from 75 regions of Russia applied for participation in the qualifying online competition. As a result, 36 participants won a free trip to the camp. The programme creates an alternative reality in which the participants have to make responsible financial decisions every day. Master classes, business games and trainings are taught to explain any questions about financial instruments and develop the skills necessary for their



use. Savings and investments, financial consumer rights, deposits and loans, bank cards, the family budget, financial goals and financial planning, financial risk management are only

a part of the curriculum topics. Participation in the camp allows schoolchildren to obtain legal and economic knowledge and effectively develop the important skills in an exciting way.

# "MONEY CAN'T BUY HAPPINESS" IS MORE THAN JUST A GAME

"The game raw you in instantly... You made your first move, and immediately you want to make the second one. At first the rules seem complicated, but after the second try everything becomes clearer and more accessible ... I advise everyone to play. The only thing that, perhaps, surprised me very much in this game, is the rule which states that when a person does not have a car, their happiness diminishes. So far, I can't quite grasp it. Bur maybe I'll understand it when I'm older! "— is one of schoolchildren's emotional response to the table game "Money can't buy happiness", developed within the framework of the Project.

This game is designed to teach children and adults competent and responsible behaviour in the financial market. Choosing a career, changing jobs, buying cars and apartments, loans,

deposits and insurance — all these activities are available to players. The board game explains complex economic concepts and gives children the opportunity



to practice personal budgeting. The game is both entertaining and educational. It develops teamwork skills, problem solving and strategic decision making.

# FINANCIAL LITERACY CHAMPIONSHIP — EVERYONE'S IN!



The educational programme of the Financial Literacy Championship consists of two competitive tournaments: financial and communicative battles.

"The championship is a fun and interesting way for children to willingly learn about financial literacy on their own. We want our participants to first and foremost understand two things:

1) to plan expenses and income is completely normal and correct; 2) one must be able to set financial goals and be able to achieve them, "says Denis Lozing, head

of the "Additional Education for Children" department at an autonomous non-profit organisation "The National Centre for Financial Literacy". The game is aimed at schoolchildren aged 12 to 17 years.

Case-game "ABCs of financial literacy" is another comprehensive educational programme determined to increase the rate of financial literacy amongst children in summer camps. The programme is based on the method of case games, represented by the financial role game "Household". Its participants are divided into pairs and play the role of housekeeping companions.



# **BECOMING SMART** WITH YOUR SMARTPHONE

Financial literacy apps for mobile phones and tablets, computer games — an effective way of teaching children and adults.



# MONETKINS





## FINSOVET



"Finsovet" is an encyclopedic app for those who want to be financially literate. The application will help to manage personal budgeting: figure out where the money goes etc. The app contains

more than 100 articles, more than 400 vocabulary definitions, more than 60 step-by-step guides, summarized answers to practical questions, sample contracts, excerpts from legislative acts, receipts, claim forms and complaints, and links to external resources on the topic.



## FINZNAYKA



Online game "Finznayka" helps schoolchildren increase their level of financial knowledge in a play form as well as check their existing knowledge of the main financial topics,

such as "Family budget", "Banks", "Insurance" etc. The app automatically selects the task, depending on which level was selected at registration.



## **EVERYDAY FINANCIER**



Financier" constantly puts cult choice — how to proper-

a reliable bank independently, learn to distinguish representatives of the bank from scammers, under-



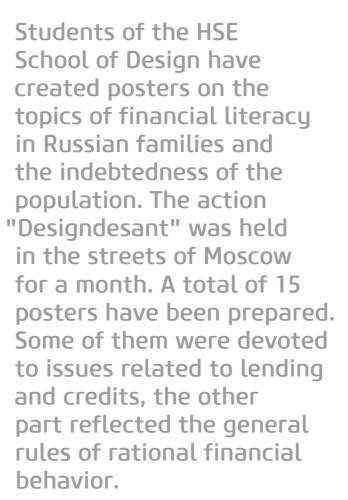
### FINANCIAL LITERACY TEXTBOOK

A training manual on financial literacy for Russian students of the Z-generation who prefer a smartphone to a book, a short text to a long one, and also intuitively understand that everything is changing.

ALL APPLICATIONS ARE FREE TO DOWNLOAD AT APPSTORE AND GOOGLE PLAY



# **SPEAKING A VISUAL LANGUAGE**















# **FINANCIAL CONSUMER PROTECTION**

In late 2017, a hotline for financial service consumers opened in Russia. Anyone can ask their questions and get advice 24 hours a day and free of charge.

Getting prompt consultations on financial services consumer protection issues helps the population learn about their rights in the financial market. The hotline can also address the activities of Russian Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing (Rospotrebnadzor) in this area, and helps to simplify the procedure for filing complaints. Over the first two months, over 8,000 applications were received

from financial services consumers. Most of them touched on topics of lending, debt load, insurance, as well as payment services. Almost every tenth caller on the hotline asked questions about micro finance services. Also popular are questions about the judicial protection of consumers' rights and the procedure for filing complaints to Rospotrebnadzor. The hotline specialists advised citizens and explained what to do if the insurance company imposes additional types of insurance

when signing an OSAGO contract, whether the bank has the right to insist on life and disability insurance when providing a loan to a person and much more.

Andrey Bokarev, Head of
Department for International
Financial Relations, Head
of the "Financial Literacy and
Financial Education" Project
of Ministry of Finance of the
Russian Federation, believes
that the amount of citizens
using the hotline will increase

over time: "These days, there is an urgent need for reliable information about financial services and possible risks in the financial sector. It's easy to make a mistake under the pressure of all the misleading financial information. In these circumstances it is of vital importance for us that the citizens have an operative access to free high-quality information, that they did not have to search for information on some questionable resources on the Internet, through friends or acquaintances. The format of the hotline helps to solve this problem".

In addition to the hotline, 84 centres and 580 information points of Rospotrebnadzor offer help with financial consumer protection all over the country.

Over 140 thousand complaints from consumers of financial services were processed. In addition, there are 170 information kiosks with booklets and brochures the regional offices of Rospotrebnadzor. Kiosks allow to



Oleg Prusakov, head of consumer protection Department, Rospotrebnadzor

receive information on financial services in an easily digestible form: topics feature deposits, mortgage and consumer loans, car loans, credit and debit bank cards, as well as insurance services and non-government regulated pension provision. For each financial service, infographics, educational videos and links for complaints are provided, while the brochures give detailed instructions on the

proper use of services and contact organisations, which should be addressed in case of violation of the rights of consumers of financial services. It is also worth noting that 7.65 million booklets "WantCanKnow" ("ХочуМогуЗнаю") about responsible use of all types of financial services have been developed and disseminated by Rospotrebnadzor in banks and financial organisations.

# ANNA POPOVA, head of Rospotrebnadzor, at the opening of the IV National Financial Literacy Week for Children and the Youth.

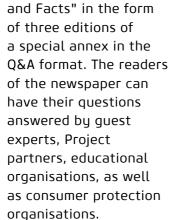


Today we are all consumers. Consumers of goods, consumers of services, consumers of intellectual property. We need to learn to behave competently, so as not to jeopardise our savings and the savings of our families. We are sure that you will master the rules of financial literacy. We believe that your generation will not only be financially literate itself, but that you will also teach those close to you — elderly members of your families who might not understand the things that you are grasping so clearly.

# **IN THE USUAL FORMAT**

In the all-Russia weekly newspapers "Arguments and Facts" and "Komsomolskaya Pravda" that have a total audience of almost 11 million people, publications on financial literacy are published as annexes to newspapers. Target audience represents the adult population of Russia over 45 years (more than 60% of the audience) with low and middle income. So the special columns "Your finances" are published in the newspaper "Arguments









# **GIVING ANSWER ON ANY FINANCIAL QUESTION**

Materials on the site хочумогузнаю.pф contain information about the financial consumers rights, legislative base as well as interactive materials for independent study of the guidelines for using such services.

How to protect yourself and your loved ones from financial fraud and financial risks? Where should you go in case of violation of customers rights? What laws regulate relations between citizens and financial organisations? What do you need to know about debit and credit cards? How to take personal, car and mortgage loans? What is the difference between OSAGO, DSAGO and what does CASCO protect you from? How to properly use the bank deposit? What are the dangers of micro loans? Why and how to invest in non-state

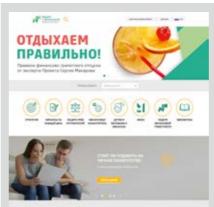
regulated pension funds? What are payment services and what are the rules for their safe use? Who is the law on bankruptcy of individuals aimed at and how can one declare bankruptcy?

Defor our research to the series of the seri

The answers to all of these questions can be found on the website хочумогузнаю.pф. Here you can test your knowledge of financial consumer rights, organise a

game or a lesson and print comic books for schoolchildren using the materials of the sections "Interactive" and "Schoolchildren".









# THE MAIN EDUCATIONAL WEBSITE OF THE PROJECT

Vashifinancy.ru is the official website of the Financial Literacy and Financial Education Project of the Ministry of Finance of the Russian Federation. The website was launched in November 2016.

In 2018, during the National Financial Literacy Week for Children and Youth, vashifinancy. ru confirmed the status of the main website on financial literacy in the country, exceeding 1.1 million views. The resource is intended for all target audiences of the Project — it accumulates training and informational materials for the Project participants, creates an up-

to-date news agenda on the topic of financial literacy and expresses the expert' opinions. In addition to information about the Project, news, current calendar of upcoming events, articles on specific life situations are posted on the portal in following sections: "Household Accounting", "Work and Salaries", "Debts and Credits", "Save and Multiply". Also visitors of the

site can use financial calculators to independently calculate the terms and interest rates for loans and deposits. News, video broadcasts, and also the "Library" section, in which a large array of educational, training, informational materials on the topics of financial literacy developed during the Project implementation, are all very popular among visitors.





# **FINANCIAL LITERACY IN TV SERIES**

TV series "Money can't buy happiness" this is an engrossing, dramatic story of a housewife, Victoria Nevskaya.

The plot line of the series includes examples of heroes' life situations that can be then applied to rules of personal financial security of the viewers. These scenarios were brought to screen by the creators of the series with the support of the Good Ideas Fund, created by the MinFin of Russia to support the best initiatives aimed at developing financial literacy in the population and consumer protection. The story line follows Victoria, who wakes up one day missing both her husband and all the money from the account. It turns out that she does not have money for food, shelter, a kindergarten

for her son, a sports club for her daughter. The heroine gets a job and gradually not only finds a way out of her own difficult situation, but also helps people surrounding her.

The director of the series, Olga Land, believes that watching the show will be both entertaining and useful for viewers from a practical point of view.

The director herself had to face some of the problems mentioned in the series. "During the making of the series someone withdrew a considerable amount of money from my personal account,

and only thanks to the prompt actions of the bank's employees who helped me, I managed to get my money back," says Olga Land. The series "Money can't buy happiness" was deliberately chosen for the integration of financial literacy topics. The main message of the series reminds us not only of the need to be responsible in the sphere of personal finance, but also that not everything in life revolves around money. The most important thing is to keep the close relationships with your loved ones. The series were shown on the central federal TVC channel. Almost 3 million people watched the show.

# ABCS OF FINANCIAL LITERACY WITH SMESHARIKI FUNNY CHARACTERS

The creators of the popular Russian animated series "Smeshariki" launched the project "ABCs of financial literacy with Smeshariki" with the support of the Ministry of Finance of the Russian Federation. The project includes nine episodes of the 2D series "Smeshariki", and periodicals in the eponymous magazine.







In each episode Smeshariki get into funny situations, solve serious problems and get to know the world around them. In an accessible form, the cartoon tells children about the difficult aspects of the world of finance, helps to learn how to correctly assess their financial capabilities, make choices,

THE SERIES ARE
AIMED AT ADULTS AS
WELL AS CHILDREN.
HERE ARE SOME
COMMENTS FROM
THE VIEWERS:

predict the consequences of financial decisions and take responsibility for their actions. Each of the topics brought up in the series and prints corresponds with the system of financial competence for schoolchildren developed within the framework of the Project. In the first series,

A very useful program, by the way, not only for children. Adults should have shows about financial literacy too. Everything is clear and, in fact, explained with maximum clarity. the characters find themselves in an unpleasant situation which they escape with the help of investments and savings, and also learn to anticipate financial risks. By August of 2018, all 9 episodes of the series were released, and the total number of their views on YouTube reached 3 million.

That's why I love Smeshariki, it's because every episode is meaningful. They can teach you about a lot of things, for example, correct financial behaviour. And everything is explained in an accessible, playful form. The show is such a good idea!

# PROJECT AWARDS

2015

2016



### **Safety Leaders Award 2015 and:**

The Project received the Safety Leaders Award in the nomination "Financial and Economic Security". The Safety Leaders Award honours projects in the field of human and social safety, that are implemented in Russia.

### **Impulse Award**

Series of informational resources "хочумогузнаю" was awarded at the Russian competition of socially-oriented advertising "Impulse".

# total awards 4 INTERNATIONAL 8 NATIONAL

National awards

## **Safety Safety Leaders Award 2016**

The experts noted that the Project provides financial services consumers with useful knowledge in the field of economic security.

### **IABC Gold Quill Awards 2016**

The Project was awarded the IABC Gold Quill Awards 2016 for achievement and innovation in the field of financial literacy and successful involvement of various social groups in more active interaction with the financial market and financial levers. IABC (International Association of Business Communicators) is an international association of independent specialists working in the field of strategic management and business communications.

### **Global Inclusion Awards**

In 2016, the Project was awarded the main international award Global Inclusion Awards (out of more than 100 countries) by the international organisation Child & Youth Finance International (CYFI) for the implementation of educational programs for children and young people and significant progress in the II National Financial Literacy Week for Children and Youth in the spring of 2016.

# International awards

### **Safety Leaders Award 2017**

The annual national Safety Leaders Awards are awarded to business representatives and private individuals for the best achievements in the field of human and social security. Winning organisations and their projects received awards in eight main categories. The project of the Ministry of Finance of the Russian Federation was awarded in the nomination "Financial and Economic Security".

### **RuPoR**

The National Financial Literacy Week for Children and Youth 2017 was awarded a special diploma of the annual Award in the field of development of public relations "RuPoR" in the nomination "Development of state and social programs".

### PRyanik of the year

The project of the Minfin of Russia won the "PRyanik of the Year" award. The organisers of the award are the regional representation of the Russian Association for Public Relations (RASO), RASO-South and GC "BrandHouse. Research. Communications. Branding" "PRyanik of the year" is annually held on the PR-specialist day. The award recognises the best projects in the field of public communications.

### **IABC Gold Quill Awards 2017**

The Financial Literacy and Financial Education Project of MinFin of Russia implemented in conjunction with SPN Communications, won the IABC Gold Quill Awards 2017 in the nominations "State Communication Programs" and "Special Events". The award of the association of business communicators IABC Gold Quill Awards marks the best work in the field of business communications from around the world.

### **Silver Archer 2018**

The National Financial Literacy Week for Children and Youth 2017 became the winner of the National Award in the field of development of public relations "Silver Archer" in the nomination "Development of state and social programs". The Financial Literacy Week is timed with the internationally held Global Money Week, which gathers millions of children from 118 countries each year.

### **Silver Mercury 2018**

The Project of the MinFin of Russia received a bronze award at the annual competition in the field of advertising and marketing communications, which takes place as part of the Silver Mercury festival. The competition covers a wide range of topics: integrated campaigns, digital events, branding, pharmacy, car industry and other industries.

### **C4F Davos Awards 2018**

The National Financial Literacy Week for Children and Youth won the prestigious C4F Davos Award 2018 in the field of communications and was awarded the title of "Education of the Future".







# FINANCIAL LITERACY MARATHON







How to keep an income-expenditure record and plan your budget



How to raise a financially literate child



How to protect yourself from financial fraudsters

to save and invest

How to draw up a personal financial plan



How to protect your consumer rights when using financial services

