



Technical Support Instrument
2024 flagship projects

Digital Financial Literacy



Context

Digitalisation is a manifest trend in our lives and economies. The evolving financial landscape characterised by an increasing spread of digital means in everyday life and the growing complexity of some digital financial products on the markets require citizens to be both financially and digitally literate. The increasing use of digital distribution channels provides new opportunities for retail investors, but exposes them to new risks stemming from online marketing techniques, including frauds and thefts.

Hence, widespread digital financial literacy, within the general financial literacy, is increasingly important, whereby digital financial literacy is defined as “a combination of knowledge, skills, attitudes and behaviours necessary for individuals to be aware of and safely use digital financial services and digital technologies”. The ability to assess financial information provided through digital channels may be achieved through financial education, as a complement to consumer protection.

Objectives

The proposed flagship will build on the ‘financial competence frameworks’ developed by the European Commission and the OECD¹ and

support Member States further, in particular, by addressing challenges posed by digitalisation in financial services.

¹ https://finance.ec.europa.eu/publications/commission-and-oecd-infe-publish-joint-framework-adults-improve-individuals-financial-skills_en - A framework for children is under development and scheduled for release in autumn 2023.



Support measures

Member States (i.e. national, regional and local authorities) may choose for technical support under the following [non-exhaustive] list of measures:

1. Analysis of the knowledge, attitudes and behaviours of citizens towards finance and in particular digital finance, investment products and payments

- **Review of existing financial and, in particular, digital financial literacy and consumer protection activities** to identify needs and gaps especially in digital financial education provision;
- **Quantitative and qualitative surveys of investors in capital markets** investigating the use of digital information channels for financial decisions, the knowledge and use of **digital financial products**.
- **Quantitative and qualitative surveys of customers and investors** investigating the knowledge and use and risks of current accounts, home banking, digital payments, digital investment and credit products and of digital information channels;

2. Support the development of **digital financial education strategies**

- Recommendations towards a **high-level strategy and action plan** for implementation, including objectives, target groups, governance mechanisms and stakeholders' roles;

- **Methodology for monitoring and evaluating the effectiveness of the strategy and action plan**, including the development of key performance indicators (KPIs).

3. Development of digital **financial literacy tools**

- Design of **digital financial literacy self-assessment tool** (learning tool to evaluate one's financial literacy and digital financial literacy level and awareness of the associated risks);
- Definition of **educational content** for the general public or specific target audiences to be disseminated on the web and social media;
- Design pilot **communication campaigns** to disseminate the financial education content, targeted at showing the interest in investing in capital markets to enhance economic growth, preventing frauds, increasing trust in digital banking services;
- **Train the trainers module** to enlarge the pool of specialists in this area.



Scan me for more info

