Consumer Financial Education
A national necessity or an unnecessary irritation?

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Agenda

- Introduction to IFIE
- Importance of Consumer Financial Education
- Major Challenges for Consumer Financial Education
- Role of Regulators, Listed firms and Institutional Investors
- International Cooperation and the Role of IOSCO
- Closing Remarks
Introduction to IFIE

- A unique alliance that brings together private and public sector investor education providers
  - Improving global investor education standards
  - IFIE /IOSCO joint global investor education conferences
Importance of Consumer Financial Education

- Changes in the global financial environment
- Effective tool to improve the financial literacy
  - Micro perspective: enhancing individual welfare
  - Macro perspective: developing market and economy
Major Challenges for Consumer Financial Education

- Cost
- Effect
- Evaluation
Role of Regulators

Public regulators should create national strategies and infrastructure for financial education.
  - Tax payer’s burden
  - School system failing to fully cover financial education for adults.
  - Difficulty in meeting diverse needs

SROs are in an appropriate position to take on the responsibility of investor education.
  - Industry funding
  - Swift response to a changing market environment
  - Easy coordination between government and industry
Role of Listed firms and Institutional Investors

- Listed companies
  - Providing transparent corporate disclosures
  - Funding education programs

- Institutional investors
  - Identifying necessary information through KYC
  - Providing sufficient information on financial investment products in an easy-to-understand manner
  - Providing or financing education programs
International cooperation is essential.

IFIE aims to serve as a forum for investor education providers.
The Role of IOSCO (proposal)

- Providing guidance on national consumer education strategies
- Developing financial education policy in collaboration with education-related international organizations
- Improving the effectiveness of the SRO education programs by ensuring the education is properly enforced
- IFIE suggests it become IOSCO’s key policy partner for investor education.
Closing Remarks

- Consumer financial education is a national necessity.
  - Government, regulators and industry should all work together to improve consumer education.

- Consumer financial education will help bring a healthier and more mature sense of capitalism and democracy throughout the world.
Thank you!