

GOVERNMENT TO WORK ON IMPROVING FINANCIAL CONSUMER EDUCATION

Vice Chairman Doh Kyu-sang presided over the 1st consultative body meeting on financial education virtually held on May 25. The consultative body, which had been operated on a voluntary basis from 2007 to 2020, turned into a statutory organization with the enactment of the Financial Consumer Protection Act taking effect from March 25, 2021. At its first meeting, chaired by FSC Vice Chairman, the consultative body discussed and approved basic principles for improving financial consumer education and detailed plans.

KEY DISCUSSIONS

(OPERATION OF THE CONSULTATIVE BODY) Under the Act, the consultative body is composed of government officials from eight relevant ministries and deputy governor of the FSS. However, it will be attended by private sector experts from consumer groups, research and education institutions. The consultative body will hold its regular meeting bi-annually in June and December. It may hold irregular meetings, if needed.

(FINANCIAL EDUCATION PLAN FOR 2021) The government will strengthen online education infrastructure and programs to ensure the uninterrupted financial education under the Covid-19 circumstances. Relevant institutions will work together to develop effective and creative materials to boost public awareness of the Financial Consumer Protection Act.

(ROLE ASSIGNMENT AMONG FINANCIAL EDUCATION INSTITUTIONS) Financial consumers are categorized into groups according to their lifecycle and specific circumstances. For each group, a responsible education institution will be assigned. Responsible institutions will be asked to submit evaluation reports and plans on financial education for each group to the consultative body in December every year.

(CERTIFICATE FOR EDUCATIONAL CONTENT) Financial education institutions will jointly review education content on the basis of its appropriateness, accuracy, delivery and fairness. Qualified content will be granted a certificate, which is subject to reassessment every one or three years.

(CERTIFICATE FOR EDUCATION INSTRUCTOR) The FSS will grant qualified candidates¹, who complete a training course and pass exams, a certificate for financial education instructors. The FSS will create a database for financial education instructors.

¹ Individuals with work experience of more than 5 years in financial institutions

(GUIDELINES ON TRAINING PROGRAMS FOR SCHOOL TEACHERS) Guidelines will be developed on training programs for school teachers to help them build both financial and education capability in a balanced manner.

(FINANCIAL CAPABILITY MAP) The FSC developed a financial capability map, which shows knowledge, attitude, confidence, behavior and techniques required for each stage of financial consumers' lifecycle. The map will be used as a basis for developing financial education strategies and updated with the results of financial capability survey, which will be conducted every three years.

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