



lafinancepourtous

INSTITUT POUR L'ÉDUCATION FINANCIÈRE DU PUBLIC

Institute for Public Financial Education

IEFP - finance skills for all

The Institute For Public Financial Education (IEFP) is a not-for-profit association formed in 2006 to promote and develop financial literacy in France.

Our remit – embodied in our motto "Finance skills for all" – is to inform and explain the world of finance to the broadest possible audience, providing them with relevant and objective information that will give them a clear understanding of the financial decisions and choices they have to make.



WHY WE EXIST

Under-skilled in finance

Money matters are barely touched on in the French school curriculum, and finance is not taught as a subject until tertiary level. Moreover in business, it features only marginally in the vocational training programmes organised by companies. And yet, at every stage of their lives, men and women have to take an interest in financial questions, whether they are saving, investing, borrowing or financing their personal goals. The French acknowledge their lack of skills in these areas, but they are plainly keen to become more financially literate.

Is finance a complex subject?

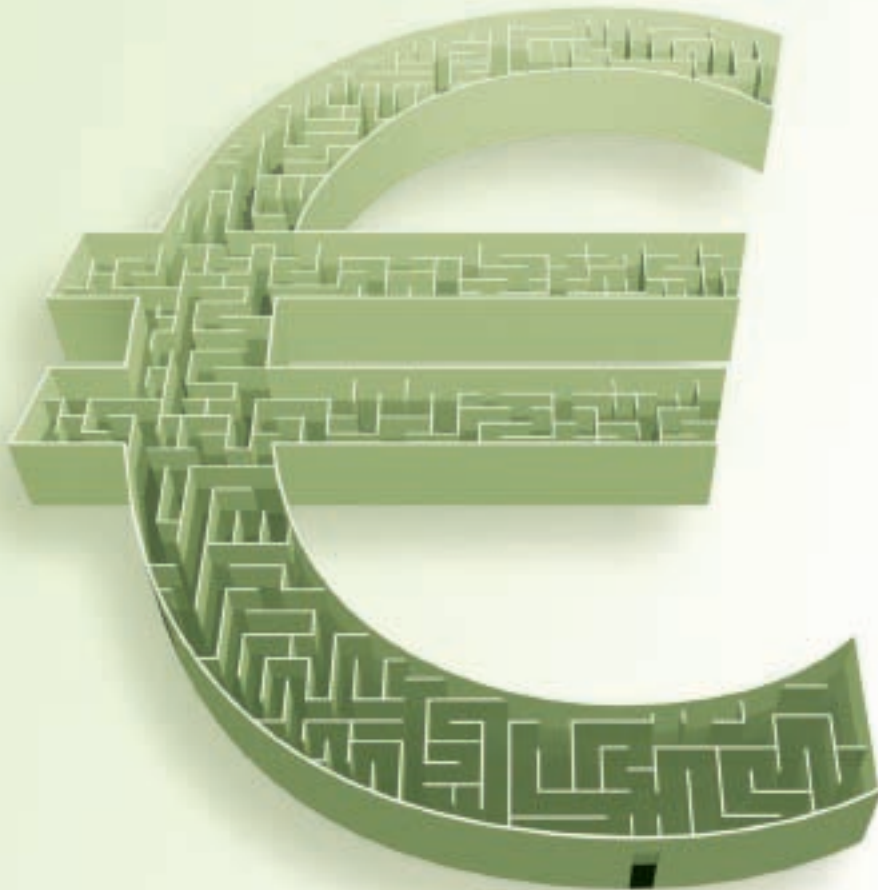
The world of finance is saddled with the image of being complex. Many people find it almost impenetrable and treat it warily or with suspicion. But financial matters and financial products are part of everyday life, and knowing about them can bring commendable benefits. In short, finance is a subject that should be accessible to the widest possible community.

Ever-greater need to learn and understand

Financial education is more important than ever in today's fast moving world. For example, given the changes now under way in the French pension system, people should be considering ways of building their savings in order to prepare effectively for a comfortable retirement. Likewise, a growing number of employees are being offered the opportunity to invest in their company's stock or a workplace savings scheme, and they are uncertain what to do.

The range of financial products and services available on the market is increasingly diverse and often complicated. Now more than ever, therefore, savers and investors need to be properly informed so that they can take sound decisions in the best possible conditions.





Meeting a wide range of needs

The IEFP was founded to develop public financial education in France and to provide comprehensive, objective information about money-related questions.

The decision that led to our creation was prompted by research into financial literacy from a working group set up by the French securities regulator, Autorité des Marchés Financiers (AMF). The AMF identified the need for an independent body that would be responsible for educating the French about finance, savings and investment and for coordinating activities designed to improve money-management skills.

88%

of the population think it is
necessary to save

Source: TNS Sofres survey for *Les Echos*
and *La Banque Postale*, December 2006

78%

of 15-20 year olds
would like to be able to
decipher a payslip,

and **75%**

want information
to help them keep their
daily budget

Source: CSA survey for IEFP, Q4 2006



73%

of the population say
they are under-skilled in
savings and investment

Source: TNS Sofres survey for the AMF,
December 2004



WHAT WE DO

The IEPF has set a number of goals. We want to take the mystery out of money and give people the wherewithal to take confident, informed decisions that best address their needs. We want everybody to have access to essential information and the keys to understanding finance. And to allow young people to enter adult life with a grasp of financial matters. In short, our aim is to ensure **finance skills for all.**

The purpose of our activities is to make certain that consumers have the basic knowledge needed to:

manage their money more efficiently

For example, realising the importance of a budget and knowing how to prepare and manage one is vital, even – or especially – for those with limited resources. A well planned budget is key to sound personal finances.

understand financial products and choose them wisely

People should know what they are looking for before they contact a financial intermediary, and then ask the right questions before making a decision. The dialogue will then be more productive.

feel at ease in the everyday environment

What is an interest rate? What is the difference between life insurance and survivorship life insurance? How does a loan work? What is a share? A mutual fund unit? Apart from being of practical use, the answers to these questions will allow people to better understand the world around them. These are life skills that need to be learned at an early age, if possible.

WHO WE WORK WITH

Two organisations provided the impetus for the IEFP. They are the market regulator, AMF, which conducted the initial research that led to the institute's formation, and Euronext (now NYSE Euronext), the company that runs France's financial exchanges and that previously organised investor education programmes.

The IEFP is organised around an executive board composed of high-level representatives of public and private bodies involved in financial education in France, including consumer and saver associations, the media, financial institutions, the education authorities, universities and trade unions.

We want to reach out beyond these front-line partners and convince private and public stakeholders everywhere of the merits of our activities. We want to harness energies and unite all the partners that share our mission to educate and inform. And we intend to foster behaviours and actions that deliver a common outcome.

Financial education in Europe

Many consumer financial education initiatives have been launched in Europe in recent years. Some have been organised by government authorities, some by consumer or trade groups, and others by private/public partnerships.

The United Kingdom plays a pioneering role. In 2004 it became the first country to adopt a far-reaching and substantially funded financial literacy policy. Responsibility for conducting the policy rests with the Financial Services Authority, working closely with key partners.


The European Commission develops its own educational tools and fosters good practices in this area.







WHO WE WORK FOR

The IEFP addresses all those wishing to learn about money matters or become more financially literate – in other words, everybody living and working in France, throughout their lifetime. We have identified three priority constituencies:

 **children in secondary education**, who are expressing a need to learn about money while at school, as well as their parents and teachers

 **wage earners**, who need to take informed decisions about workplace saving and employee stock ownership schemes, and **economically active people** seeking to prepare for retirement

 **consumers**, who want to properly understand the products offered by financial institutions and to be able to talk about them knowledgeably.

A REFERENCE TOOL

Our innovative website is a unique source of information for everyone wishing to learn about finance or develop their financial capability

- 🌱 educational and user-friendly
- 🌱 clear and impartial information content
- 🌱 a range of fun-to-use interactive tools (calculators, quizzes, tests)
- 🌱 profile-targeted access for young people, workers, senior citizens, children and educators

This is your website. Browse through it at your leisure. And feel free to tell us what you think of it.



HOW WE WORK

The IEFP has a variety of activities, which include:

- 🌱 operating an attractive, content-rich **website** that functions as both a resource centre and a forum for dialogue
- 🌱 conducting **studies and surveys** to gauge consumers' behaviour and their knowledge about money matters (a study has already been carried out among young people)
- 🌱 designing and producing **educational materials** for specific groups (young people, employees, customers of banks and brokers, etc.)
- 🌱 keeping an inventory of financial **education and training programmes** to respond to identified needs (e.g. recommending or approving solutions, establishing a network of educators and trainers who can pass on messages and content prepared by the IEFP or with its backing)
- 🌱 organising or attending finance-related **conferences and events** aimed at all audiences
- 🌱 **representing France** in Europe and internationally to debate best practices and organise joint activities.



Palais Brongniart - Place de la Bourse - 75002 Paris - France - Tel.: +33 (0)1 49 27 55 36
www.lafinancepourtous.com