

Financial literacy. Good for life.



Financial literacy	5
Savings Banks School Service <i>Sparkassen-SchulService</i>	7
Consumer Consulting Service <i>Beratungsdienst Geld und Haushalt</i>	11
Savings Banks Foundation for International Cooperation – SBFIC <i>Sparkassenstiftung für internationale Kooperation</i>	15
Internet addresses	18

Dear Reader,

Germany's savings banks (Sparkassen) are financial institutions incorporated under public law that serve every one of the country's 80 million citizens. That's because our business results benefit even those members of society who do not bank with us. Savings banks do not just offer attractive and fair financial services, but they are bound by their business philosophy to act in the public interest.

Nowadays the people of Germany are having to work increasingly hard to maintain their financial security. By way of assistance, savings banks engage in educational work that gives people the financial skills they need for all areas of their lives. Although this educational mission was actually part of the founding philosophy of Germany's savings banks some 200 years ago, helping people from all sectors of society to meet their financial needs while encouraging them to save has never been more important than it is today.



For decades, the Savings Banks Finance Group (Sparkassen-Finanzgruppe) has been a firm advocate of financial literacy: indeed, hundreds of thousands of schoolchildren have learned how the economy works thanks to our Savings Banks School Service (Sparkassen-SchulService). And millions of households also seek the advice of our Consumer Consulting Service (Beratungsdienst Geld und Haushalt) in order to better manage their income. Taking this educational concept beyond Germany, the Savings Banks Foundation for International Cooperation (Sparkassenstiftung für internationale Kooperation) has spent more than 20 years proactively supporting economic progress in developing countries and emerging economies, helping to give the people there better access to financial services.

Today our decisions in life are increasingly financial ones – which is why financial education is so essential. And it is for this reason that Germany's savings banks believe that by making people more economically competent and expanding the financial scope of private households, they can make an important contribution to society.

A stylized, handwritten signature in blue ink, appearing to read 'G. Fahrenschoen'.

Georg Fahrenschoen
President of the German Savings Banks Association
(Deutscher Sparkassen- und Giroverband)

**SAVINGS BANKS
SCHOOL SERVICE**
Schools

**CONSUMER
CONSULTING SERVICE**
Consumers


Good.

FINANCIAL LITERACY
Savings Banks Finance Group

**SAVINGS BANKS
FOUNDATION FOR INTER-
NATIONAL COOPERATION**

*Developing countries and
emerging economies*

Financial literacy. Good for life.

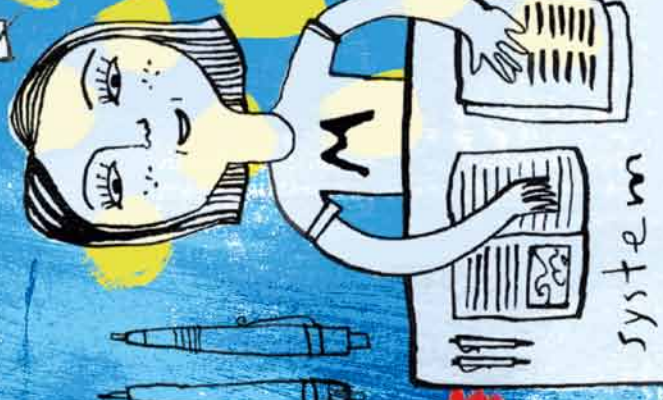


The Savings Banks Finance Group's commitment to education should be seen in a very positive light. Early on – in fact more than fifty years ago – it rose to the social challenge of teaching the citizens of Germany about general financial matters. We also appreciate the fact that it doesn't use these educational resources to advertise its own financial products and services.

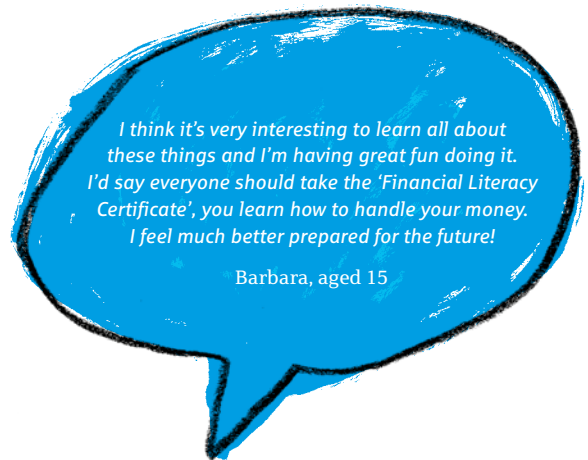
Gerd Billen, Executive Director of the Federation of German Consumer Organisations (VZBV)

Putting people first comes naturally to the Savings Banks Finance Group, which is why it regards financial literacy as one of its key social mandates. Knowing a little about the way money works makes it easier to achieve success, attain financial comfort and enjoy a good quality of life. It empowers consumers to manage and understand their finances. Whether in schools or in private households, locally or via the World Wide Web, our objective is to improve people's financial literacy skills. And we have various ways of doing this: through our Savings Banks School Service, our Consumer Consulting Service and our Savings Banks Foundation for International Cooperation. Many people in the most diverse places and situations benefit from the wide range of services offered, confirming what Germany's savings banks have known all along: **financial literacy is good for life.**

MOTIVATION * * * * *



Savings Banks School Service. Good for school.



Learning for life with the Savings Banks School Service (Sparkassen-SchulService). Schoolchildren who learn about finance and how the economy works are learning a lesson for life. With this in mind, Germany's savings banks are actively involved in schools to help develop the students' financial and economic skills. The current range of media available through the Savings Banks School Service has something to offer for all age groups. Its motto: 'Good for school – Good for life!' The core product is the Certificate Of Basic Financial Literacy which all students can attain in line with their age group and level of learning.

Time and again studies show that it is not just young people who have difficulty understanding simple economic concepts. For this reason parents, businesses and politicians are calling for more financial education for consumers. For Germany's savings banks, teaching young people about savings and money has always been part of their mandate. And it's something they do free of charge for the benefit of the general public.

The Savings Banks School Service is geared towards all school systems and year groups from preschoolers to school-leavers. But it also addresses teachers, parents and even the staff who work in the school authorities and teacher training colleges.

This service offers them access to an extensive range of teaching and learning materials developed by the savings banks' own publishing company, Deutscher Sparkassenverlag. Designed to fit into the curricula, these materials are practice-oriented and embrace a wide range of multimedia educational resources. Thematically they range from an initial, play-based introduction to money through to stock market trading, and from consumer issues through to economic and financial policy. Preparing for the world of work is yet another core area of activity that involves career advice and job application coaching. Always up to date with the latest developments in the media landscape, the Savings Banks School Service includes resources for digital whiteboards as well as apps for smartphones and tablets.

Launched in 1975, the Savings Banks School Service provides ad-free, curriculum-aligned media that teach young people how to handle their money and deal with financial services.

Sparkassen SchulService

Gut für die Schule. Gut fürs Leben.

'Award-winning' media. With its highly diversified and competent activities, the Savings Banks School Service has attracted considerable attention and won a number of awards. As part of the UN Decade of Education for Sustainable Development (2005–2014), the German Commission for UNESCO has acknowledged the entire Savings Banks School Service as an official UNESCO project, while selected materials from the Savings Banks School Service have been awarded the 'Comenius-Edu-Media Seal of Approval' by the Society for Pedagogy and Information (Gesellschaft für Pädagogik und Information). Furthermore, Germany's Federal Ministry of Food, Agriculture and Consumer Protection (BMELV), which runs its own consumer education initiative to strengthen consumer skills, has rated the resources used by the Savings Banks School Service on its online platform. Its verdict: 'top marks'.



PLANSPIEL BÖRSE



Investing wisely: Stock Market Learning (Planspiel Börse). This business game is an exciting online competition

that gives school students the chance to engage in stock-exchange trading using virtual capital. Trading is based on share prices on real stock exchanges. And it is not just teams from Germany that take part, but different teams throughout Europe. This idea of Europe uniting in a financial literacy agenda is supported by the European Savings Banks Group (ESBG).

Stock Market Learning introduces the participants to the modalities of the stock exchange and capital market and explains how economic and socio-political factors interact. Players learn how to access the information they need and how to employ it purposefully and actively in the decisions they take as part of a well thought-out and clever investment strategy. The competition enables the teams to acquire soft skills that are becoming increasingly important in all areas of business activity and society. 'Sustainability' is also a key aspect here and is intended to encourage young people to act responsibly and think about the longer term. Ultimately, long-term strategies are favoured over short-term action – without losing sight of economic factors.

At the start of the game, we didn't have much idea about shares, but we've since become quite savvy about the way the stock exchange works and how everything hangs together.

Sarah, aged 17



DEUTSCHER
GRÜNDER
PREIS

Eine Initiative von

stern | Sparkasse

DFW | PROGRESS

Starting up a business takes skill, and this is where the German Start-Up Award (Deutscher Gründerpreis) for Schools can help.

How do I go about developing a product? What exactly is marketing? How do I analyse a market? And where can I get financial backing for my new company? These are the kind of questions that school students ask when they first start thinking about going into business. Germany's Start-Up Award for Schools, is actually a start-up competition, the largest of its kind for young people throughout Germany, and one that helps them to understand the world of business. In just four months, students draw up a business concept and launch a fictitious company. During the game, participants also learn a great deal about their own strengths and weaknesses and gain a first-hand look at professional life from an entrepreneur's perspective. Internet is the platform for games and communication – all key information for the current edition can be found here. This is also where the teams perform and submit their tasks.

The German Start-Up Award for Schools not only taught us a lot about economic interrelations, but has enabled us to improve immensely with respect to teamwork, organisation and research. It was so much fun!

M.A.M.P.F., the winning team





Angebot



Kassa		Scheck	
1	1000	1	1000
2	500	2	500
3	200	3	200
4	100	4	100
5	50	5	50
6	20	6	20
7	10	7	10
8	5	8	5
9	2	9	2
10	1	10	1
11	0,5	11	0,5
12	0,2	12	0,2
13	0,1	13	0,1
14	0,05	14	0,05
15	0,02	15	0,02
16	0,01	16	0,01
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18	0,002	18	0,002
19	0,001	19	0,001
20	0,0005	20	0,0005



Heute

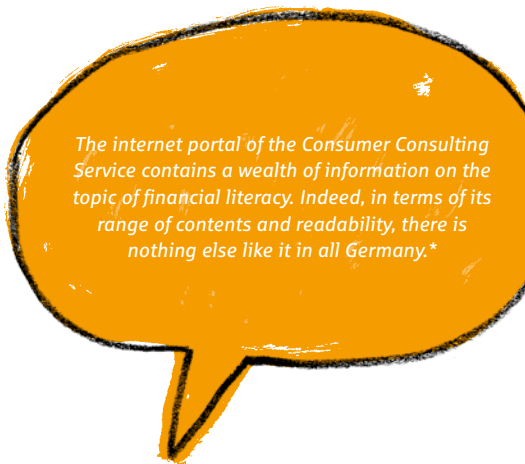
Morgen

Übermorgen

Überübermorgen

SALE

Consumer Consulting Service. Good for managing your money.



*The internet portal of the Consumer Consulting Service contains a wealth of information on the topic of financial literacy. Indeed, in terms of its range of contents and readability, there is nothing else like it in all Germany.**

The Consumer Consulting Service (Beratungsdienst Geld und Haushalt) of the Savings Banks Finance Group assists private households to manage their income well. It does this using an extensive range of instruments that are designed to meet the needs and requirements of people living in a variety of different circumstances. This service fosters economic knowledge and promotes financial competence, both of which empower people to handle their money carefully. Thanks to this know-how, private households are able to substantially improve their financial scope and so avoid unplanned debt. In recognition of the value of the Consumer Consulting Service, the German Commission for UNESCO has made it a permanent, official measure of the UN Decade of Education for Sustainable Development.

* cf. Ambos, I./Greubel, p.108 (2012): Ökonomische Grundbildung. Themenfeld "Akteurs- und Angebotsanalyse". German Institute for Adult Education – Leibniz Centre for Lifelong Learning (DIE)

Budget analysis. Online budget analysis gives private households a detailed overview of their financial situation – a little like a company balance sheet. With the help of the reference budget supplied, users can see what other households in similar situations are spending. Being able to make a comparison helps people to look at their own spending more critically and so budget more carefully. Around 2,500 consumers use this self-help system every month.

Presentation service. The Consumer Consulting Service has a team of 50 speakers who provide free presentations on demand. Social organisations, adult education providers and public institutions can all book these events which deal with an array of different financial topics. On average around 1,000 presentations are made every year in Germany. Informative and entertaining, they cover the legal, economic and ecological aspects of personal finance and budget planning.

I've already tried out a lot of smartphone apps to track my spending, but this web-based budget planner is the best and most user-friendly. A really great idea!

Michael P.



Active online. It is not just younger consumers who have changed their reading habits. Instead of using books and brochures, a lot of people today use the Internet to find out what they need to know – which is why all services provided by the advisory service are also available online. Furthermore, computer-based checklists or Web applications are helping to make personal budget management even easier. The service is also on Facebook and Twitter, where it encourages people to become ecologically and economically responsible consumers.

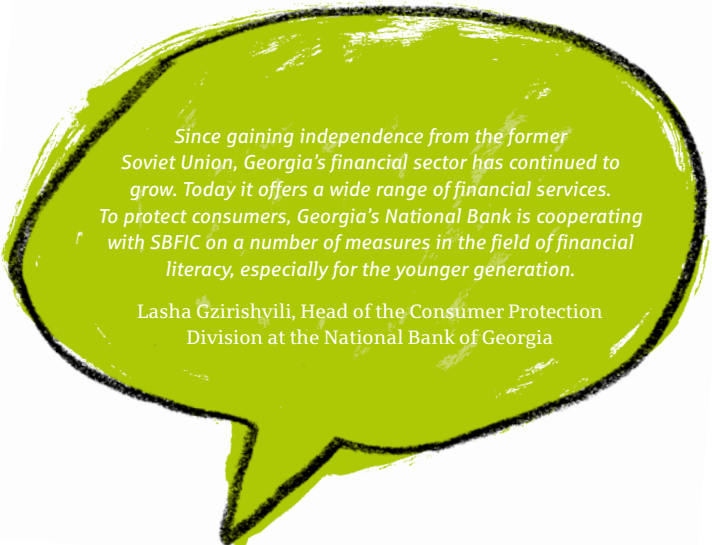
The presentation service offers great value for money. The sustained level of demand for events and the surprising increase in the number of younger people attending them speaks for itself.

Judith Möllmann, Speaker and PR Officer at Stadtparkasse Bocholt





Savings Banks Foundation for International Cooperation. Good for our partners around the globe.



Since gaining independence from the former Soviet Union, Georgia's financial sector has continued to grow. Today it offers a wide range of financial services. To protect consumers, Georgia's National Bank is cooperating with SBFIC on a number of measures in the field of financial literacy, especially for the younger generation.

Lasha Gzirishvili, Head of the Consumer Protection Division at the National Bank of Georgia

Mission: Think globally, act locally, cooperate internationally. Some 200 years ago in Germany, savings banks were set up as micro-finance institutions for low-income earners. Since then, Germany's savings banks have evolved into one of the largest financial groups in the world, successfully combining a high level of professionalism with a strong social mandate. It is the job of the Savings Banks Foundation for International Cooperation – SBFIC (Sparkassenstiftung für internationale Kooperation) to pass on this experience to its partners in developing countries, emerging economies and transition states.



In many villages in Laos, women at the poverty threshold can open a savings account or take out a group loan. In return they undertake to attend weekly group meetings where they receive financial training.

It was back in the mid-1960s that Germany's Savings Banks Finance Group first started receiving requests from Africa and Latin America for advice and assistance with the development of regional financial institutions. This marked the beginning of the Savings Banks Finance Group's intensive and sustainable development-policy involvement that has been successively expanded, systematised and professionalised since the establishment of SBFIC in 1992.

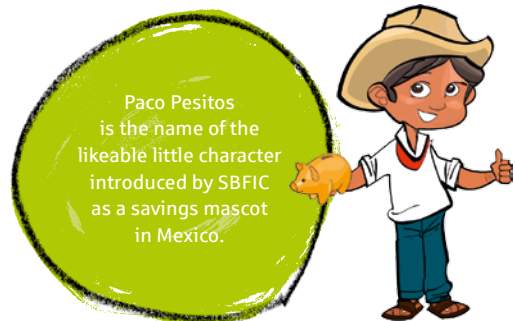
From the outset, SBFIC set about working to promote financial institutions that foster sustainable economic and social development at local, regional or national level through need-oriented banking. The objective is to make partner institutions more professional and thus empower them to provide their customers with ongoing access to financial services.

SBFIC's target groups essentially consist of small and medium-sized enterprises (SMEs) as well as socially marginalised groups and the economically vulnerable. This approach serves to generate jobs and income and to fight poverty.

Since 1992, SBFIC has implemented more than 150 projects in over 60 countries.

Project approaches: SBFIC implements projects in all areas of banking. However, one particular focus is on financial literacy and savings mobilisation.

Having a basic understanding of the way money works really helps poorer people in particular to make better financial provision and to protect themselves against disreputable money lenders and excessive debt. At the same time, financial literacy measures in rural regions ensure that there are enough customers on hand for local financial institutions to operate sustainably. Today, SBFIC is helping to improve basic financial literacy in a wide range of countries.



In many developing countries that do not have a social welfare system, saving is the only way to prepare for emergencies. In SBFIC's project work, financial literacy and savings mobilisation are not only components of projects for reducing poverty, but are often actual project objectives in their own right.

SBFIC often makes use of existing concepts and materials. For instance, it uses the resources produced by the Consumer Consulting Service and the Savings Banks School Service:

In *Mexico* and *Uzbekistan*, the Consumer Consulting Service's housekeeping book, originally devised for planning family budgets, has met with widespread acceptance. Adapted to suit local conditions, it has since become one of the tools used to instruct people about money management in the home.

In *Mexico*, comics in which the protagonists experience many different adventures – all with an underlying educational message about finance – have become a popular and entertaining means of reaching children and young people.

In *Rwanda* and *Burundi*, children and young people are taught financial literacy in savings groups at school.

In *Bhutan*, *Vietnam*, *Laos* and *Myanmar*, SBFIC cooperates with selected women's associations to give low-income households ongoing and customer-oriented access to financial services. During the regular mandatory meetings at which savings deposits or credit instalments are collected, the women also get the chance to improve their money skills.

Rwanda does not yet have a savings culture. That's why our programme with SBFIC starts by teaching children of school age about saving. Through the children, we can then convince the parents that saving for a better future is important.

Uwamwezi Juliette,
teacher at Kamuhoza School in
Nyarugenge District, Rwanda



For its first World Savings Day, the Democratic Republic of Congo introduced a 'savings ant' as its mascot. Under the banner, 'Save for my future in the DRC, yes it's possible' (Épargner en RDC pour mon avenir, oui c'est possible), thousands of school children and students signed up to the cause.

Germany has celebrated World Savings Day for more than 100 years, but until recently this was still very new for the *Democratic Republic of Congo*. However, this event has become a valuable example of savings mobilisation in the world. By linking up the financial and business sectors, politics and the academic and research community, World Savings Day has not only had a positive impact on the savings activities of the Congolese population but has also made the children and their parents more aware of the importance of saving. The positive effect: large numbers of people who were formerly excluded from the financial sector are now a part of it.

World Savings Day has produced similar outcomes in *Azerbaijan*, *Burundi*, *Georgia*, *Rwanda* and *Ukraine*.

As SBFIC's advisor in Mexico, I see for myself every day what it means for the people here to try and feed a large family on a small income while having to resist the temptations of consumerism. SBFIC helps people save for their children's schooling or for necessary medical treatment.

Gerd Weißbach, long-term advisor for
SBFIC in Mexico

Internet addresses

Savings Banks School Service

(Sparkassen-SchulService)

www.sparkassen-schulservice.de

Stock Market Learning

(Planspiel Börse)

www.planspiel-boerse.de

www.facebook.com/planspielboerse

German Start-Up Award

(Deutscher Gründerpreis)

www.deutscher-gruenderpreis.de/schueler

www.facebook.com/dgpschueler

Consumer Consulting Service

(Beratungsdienst Geld und Haushalt)

www.geld-und-haushalt.de

www.facebook.com/SparRatgeber

www.twitter.com/geldundhaushalt

Savings Banks Foundation for International Cooperation – SBFIC

(Sparkassenstiftung für
internationale Kooperation)

www.sparkassenstiftung.de

www.sbfic.de



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