

COMPENDIUM ON FINANCIAL INCLUSION

GOOD PRACTICES FROM FAMILY ORGANISATIONS



coface



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INTRODUCTION

COFACE, the Confederation of Family Organisations in the EU, has been involved for more than 57 years in building a strong social, family friendly Europe. We bring forward the voice of millions of families and we gather 60 organisations from all over Europe.

Through the active participation of our members and thanks to the financial support of the European Commission, COFACE advocates for strong social policies that take into consideration family needs and guarantee equal opportunities for all families. Policies reinforce families' strength and resilience are the best way to prevent poverty and social exclusion, especially at a time when the effects of economic downturn, cuts in public services and shrinking labour markets puts families under tremendous pressure.

FINANCIAL INSECURITY SUCH AS THE ABILITY OF HOUSEHOLDS TO MAKE ENDS MEET AND THE NEED TO LEAVE THEIR HOUSE BECAUSE THE HOUSING COST HAS BECOME UNAFFORDABLE, MEANS THAT MORE FAMILIES BECOME VULNERABLE AND ARE AT RISK OF POVERTY.

This is why COFACE has decided to focus on families in a vulnerable situation.

COFACE has always considered financial inclusion as one of its priorities, especially since access to some financial services like a basic bank account is a pre-condition for social inclusion.

For all families, the possession of key assets such as a savings, real estate or other forms of investment are very important. Assets may provide families with hope, to plan and wish for a better future for themselves and their children.

This opportunity to envision the future, working towards and achieving a goal may be especially powerful for low income families, which are often forced to focus on day to day living due to constrained resources. As such, we recognize the value of assets for families and society and promote asset building programs.

We encourage families to attend budgetary education classes that gives them basic financial knowledge and skills associated with owning a simple accounts and assets. This may affect their financial attitudes about financial service providers, encourage families to save money, and improve their financial goal setting and good budgeting.

Furthermore families also need access to certain financial services in order to make key investments during their life course: invest in housing, acquire means of transportation, cover common risks such as illness,... For each of these needs there is a corresponding financial service such as a mortgage, a consumer credit or an insurance policy.

Through our policy positions, responses to consultations of EU institutions and participation to high level expert groups, COFACE examines for each of these services whether they are fair, of high quality and accessible to all families, even the most vulnerable ones, without falling into debt.

At our conference entitled "Accessible and fair financial services, alternatives to mainstream banking" held in Madrid in May 2015, we gathered a great number of experts including representatives from civil society, researchers, policy makers and public authorities to reflect and share a wide diversity of successful initiatives developed all over Europe.

In this Compendium, we gathered good practices from our Member organisations covering many topics such as budgetary education and awareness raising campaigns, debt mediation initiatives, and courses to raise the low level of financial capability. We also showcase social innovations such as social mortgage credits that make financial services fair, accessible and affordable to vulnerable families.

With this publication COACE wants to inform and to stimulate social commitment, we want to inspire and encourage our Members and a broad network of partners and citizens to engage further in improving society and creating alternatives.

Through this publication and the active involvement of our Members, we will develop further actions together with a broad network of partners, tackle the different aspects of "financial inclusion" and advocate for a financial system at the service of Europe's citizens: "the bank we need".

Annemie Driekens
President

FINANCIAL EDUCATION ON MANAGING A HOUSEHOLD BUDGET

MADRID UNION OF USERS AND CONSUMERS (UNCUMA) • SPAIN

The information campaign started in 2014 and is still underway. Its aim is to help families to be better equipped to manage their budget and to maintain a balance between their income and spending.



BACKGROUND INFORMATION

The economic crisis which has had such a negative impact on Spain and other neighbouring countries has clearly shown that **it is essential for the majority of families to analyse their income and spending carefully** in order to be able to manage their financial situation in the best possible way.

Consequently, the Madrid City Council has launched an initiative to provide assistance to families, with the collaboration of consumer associations such as UNCUMA.



AIMS OF THE INITIATIVE

The main aim is to help families to be better equipped to manage their budget according to their own personal situation. The project encourages savings and a more efficient consumption of products and services.

The project is aimed at all families living in Madrid.



CONCRETE ACTIONS

Financial education for families is a public service which is both independent and free of charge.

Its aim is to provide citizens, at their request, with the personalised and professional assistance of experts who work for consumer associations. These experts have both training and experience in the areas of economics, finance and accounting.

Within the services of the Madrid City Council, UNCUMA's professional experts **provide clear, concise and simple information to the citizens of Madrid**. This information, which is based on real income and spending, as well as personal situations, is designed to help families to put together their own budget. **The intention is to both encourage savings and to promote the responsible and efficient consumption of goods and services**, so as to avoid undesirable situations such as excessive debt.

Whilst the main objective of financial education is the efficient management of a family budget, it also provides responses to the questions which citizens ask themselves regarding the management of their personal finances. Rather than educating people about managing investments, the aim is to **seek out solutions to specific problems and to provide information about banking services, mortgage and personal loans, insurance, retirement financial planning, excessive debt and the consequences of defaulting on a payment**.

Whilst efforts are made as part of the service provision to facilitate direct contact with citizens who request personalised assistance, there is also a **website which provides essential information regarding personal and family finances** (UNCUMA has also drawn up a guide to mortgage loans), links to other pages which provide a wealth of information, as well as a calculator which can be used, where appropriate, to calculate a personal or family budget during the personalised assistance sessions.



FINANCIAL INFORMATION

The project cost €6,198.35 in 2014 and €6,816.25 in 2015. The Madrid City Council has financed 80% of this amount, whilst the remaining 20% has been financed by ASGECO.



PARTNERSHIPS

Madrid City Council office for consumer information (OMIC).



IMPACT

The impact of this project is currently being assessed.

The Madrid City Council is due to assess the impact of the project on the management of household budgets. This assessment will be based on the number of visits to the Madrid City Council website which provides the information brochure, as well as the total number of persons contacted.

FOR MORE INFORMATION

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HOUSEHOLD ACCOUNT BOOK

GEZINSBOND • BELGIUM

For over 30 years, the Gezinsbond has been distributing a household account book.



BACKGROUND INFORMATION

As a consumer organization, it is our mission to protect and inform families as consumers. The household account book is a way of fulfilling this mission.

Belgium is facing a record number of families in over-indebtedness; approximately 100.000 families are in a procedure of collective debt settlement. One of the causes of falling into debt may be poor budget management.



AIMS OF THE INITIATIVE

The Gezinsbond wants to give families a tool with which they can have an overview of their own household budget. The aim is to achieve a healthy family budget through a better understanding of income and expenses.

The household account book is developed for all families.



CONCRETE ACTIONS

In the account book, families can record their monthly income and expenses. This results in an overview of their annual household budget. There are sections for different types of income: wages, income replacement, child benefits and other income. The sections for variable expenses are the following: food, drinks, maintenance, education, clothing, car(s), public transport, health care, leisure and other expenses. Fixed expenses are: rent/property tax, mortgage payments, heating, electricity and TV distribution, insurances, telephone, newspapers and magazines and other fixed expenses.



FINANCIAL INFORMATION

The costs of this project mainly consist of personnel expenses (e.g. to manage the orders and shipment) and in addition, the printing costs and the shipping costs.



PARTNERSHIPS

There are no partner organizations involved.



IMPACT

The Gezinsbond is confident that families who use the household account book have a more conscious budget management.

In 2014, 1.263 families bought the household account book at the price of 4.50 euros.

FOR MORE INFORMATION



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REFERENCE BUDGETS FOR FAMILIES

NATIONAL UNION OF FAMILY ASSOCIATIONS (UNAF) • FRANCE

Since 1952, UNAF has been developing reference budgets designed to set out the costs of essential needs so that families can live in decent conditions. These budgets identify the needs of a typical family and calculate the amount of money required to cover their cost.



BACKGROUND INFORMATION

It was almost at the moment of its creation (in 1945), at a time when France was fully engaged in its own reconstruction and the inflation rate was extremely high, that UNAF decided that it wished to develop a tool which would enable families to estimate the cost of living. At the time, UNAF was a member of the High Commission for Collective Bargaining (CSCC), which was responsible for negotiating the SMIG (guaranteed minimum inter-professional salary), which was the predecessor of the SMIC (statutory minimum wage).



AIMS OF THE INITIATIVE

Our objectives of this project were as follows:

- To evaluate living conditions.
- To assess the adequacy of welfare payments.
- Debt mediation and advice regarding excessive debt.
- Financial/budgetary education.

The reference budgets are aimed at researchers, NGOs and civil society representatives (family representatives on commissions for excessive debt, housing...), courts, (family judges and lawyers in the event of the separation of a family in order to set maintenance payments) and families. Indeed, there are currently eight categories of family budget, including two for large families and two for single parent families. Finally, it is also useful for social workers who provide budget support services.



CONCRETE ACTIONS

The reference budgets, which are accessible via the following website address, <http://www.unaf.fr/spip.php?rubrique160>, are updated on a monthly basis for 8 family categories for both the total budget and the budget lines (housing, transport, health, food...). All of the documentation is available and updated (with the latest advice and data) and it also provides an explanation of the major quarterly changes.



FINANCIAL INFORMATION

The budget for drawing up the reference budgets has not been calculated (it is only possible to place a figure on the cost of putting the information in the data base).



PARTNERSHIPS

Our UDAF network and UNAF's family representatives.



IMPACT

These figures show the increase in the number of visitors to the website: 2012 – 9,130 (the reference budgets were posted on line in June), 2013 – 17,050, 2014 – 21,080, and 19,070 in the first nine months of 2015.

FOR MORE INFORMATION



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<http://www.unaf.fr/spip.php?rubrique160>

ABACO – ADULT BASIC ACCOUNTING AND CONTROL OF OVER INDEBTEDNESS

ANZIANI E NON SOLO • ITALY

ABACO is a European-funded project that started in 2009. Its aim is to develop a strategy to face the problem of a lack of financial education for vulnerable adults and migrants in Southern Europe.



BACKGROUND INFORMATION

Estimates show that at least 20 million people are over-indebted in Europe. According to EU SILC and the GINI Index, Portugal, Italy, Spain and Greece have special problems dealing with arrears in the household and none of them have yet developed significant strategies and tools for the prevention of over-indebtedness.

Eurobarometer findings indicate that people most at risk of over-indebtedness are also the more vulnerable, linked directly to social vulnerability: people with the lowest income, poor health, vulnerability due to ethnic background, low education level.



AIMS OF THE INITIATIVE

The project strives to adapt methodologies and contents developed by the association NIBUD, an independent Dutch foundation that gives information about household finance, in order to make them usable by partner organizations in their national contexts (Italy, Spain Portugal and Greece). NIBUD's experience has never been translated or implemented in other countries even if it has already had a large impact in the Netherlands. Their websites are consulted every day approximately 10.000 people.

The target group of the project are vulnerable people. The project will have a direct impact on their lives since it will help them to save up money in order to cope with unforeseen situations, invest wisely, and avoid the pitfalls of payment fraud.

People who understand financial issues are also more inclined to heed regulatory risk warnings and less likely to purchase products they do not need, tied into products that they do not understand, or take risks that could drive them into financial difficulty.

- **Migrants** become more aware of the context they live in and are encouraged to entertain social and economic relations.

- The project supports **entrepreneurship** directly, by strengthening specific financial skills for small entrepreneurs (building assets, setting goals, overcoming financial obstacles, budgeting etc).
- **Unemployed**: Financial literacy is also connected with employability since it involves life skills such as managing risk and making responsible choices.
- **Family households**: financial education will encourage low income citizens to save some part of their incomes and face unforeseen events.
- **Elderly** are a privileged target for the project because financial literacy is an important skill for them to acquire: they often have low literacy but relatively high wealth and an increased need of awareness about pension schemes. Moreover, with age, cognition declines and people are more exposed to risk of being cheated or deceived on financial matters.



CONCRETE ACTIONS

The project is based on the adaptation and transfer of educational resources originally developed by the Dutch Foundation NIBUD. Among the methodologies and the tools developed by the Nibud Foundation, in this phase of the project the ABACO partners associations have tested the adaptation of the following manuals: "Where does the money go?", "Managing your money course" (composed of an exercise book and a teacher manual) and "Money Book for Micro-Entrepreneurs".

Once the adaptation was completed, each partners initiated a testing phase in order to assess the tool and see if it could be a valid instrument for his country.

On the one hand, pilot readers (in some case they were possible users, in other cases they were members of the partner associations) gave their opinions and suggestions about the written material, on the other hand, through pilot courses, partners had the opportunity to verify several aspects, such as: teaching difficulties and methodologies (calibrated to a specific target group and in a particular context – financial crisis), feedbacks from the perspectives of both trainees and teachers about the effectiveness of the ABACO course and a more objective evaluation from the external observers who took part in the whole process.



FINANCIAL INFORMATION

The project was funded by the European Commission – Lifelong Learning Programme – Grundtvig and had a budget of € 393.134 (co-funded by partners up to 25%).



PARTNERSHIPS

- **Anziani e non solo società cooperativa**
Italy (coordinator)
- **Transformando s.coop.mad**
Spain
- **Hrdc- hellenic regional development center**
Greece
- **Acidi**
Portugal
- **Nibud - het nationaal instituut voor budgetvoorlichting**
Holland
- **Seed learn**
Switzerland



IMPACT

The partnership has adapted the following tools already developed by NIBUD:

- A basic book concerning budgeting for micro entrepreneurs, with tips about starting a micro-business, getting loans, planning income and expenditure.
- A basic book about budgeting for the household, with tips and warnings about most common financial issues for individuals.
- Teacher's guides for both targets (small entrepreneurs and families) which will support teachers in formal and informal trainings of vulnerable groups.
- An "agenda": a gadget with tips and tools to manage the household budget.

The publications are available in English, Spanish, Italian, Portuguese and Greek.





The impacts envisaged are:

- Awareness rising in the target countries.
- Improvement of basic financial skills for target users.
- Availability of tools for trainers and social workers involved in financial education for vulnerable adults in target countries.

The Abaco's method has been considered all along the process of the project by all its participants (students, teachers, pilot readers and entities all over the involved countries) as a very useful tool for the economic problems that families have to deal with in Europe.

ABACO courses can be seen as an important tool to foster integration among people who, although coming from different cultures, have the same economic problems to face.

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PROGRAMME FOR THE FINANCIAL INCLUSION AND EDUCATION OF FAMILIES

"ISADORA DUNCAN" FOUNDATION FOR SINGLE-PARENT FAMILIES • SPAIN

The aim of the programme for the financial inclusion and education of families is to ensure the economic empowerment of single-parent families so as to protect them against excessive debt.

The programme was launched in 1999 using their own funds and it initially provided educational activities and financial advice to the beneficiaries of the "Sheltered apartments for single mothers" and the "Sheltered accommodation for victims of gender-based violence" programmes, as well as to the beneficiaries of the services of the Isidora Duncan Foundation. The programme has been co-financed since 2011.



BACKGROUND INFORMATION

The programme for the financial inclusion and education of families was developed in 1999 in order to fill a gap in the provision of financial education for families. It was designed to be an effective awareness-raising tool (How to manage a monthly budget? How to make a distinction between essential spending and spending which can be cut or even avoided altogether?) to be used with families. The programme is also a platform for discussions regarding the financial institutions, their products and income with a view to ensuring that families do not find themselves in a position of excessive debt, social exclusion and poverty.



AIMS OF THE INITIATIVE

- To ensure the economic empowerment of families, make them familiar with the most common financial products, teach them how to use them correctly, to detect the improper practices of the financial institutions and to report them.
- To involve minors in the management of their family's financial affairs through interaction with the parents so as to enable them to learn whilst enjoying themselves.
- To contribute to the efforts made to achieve the UN's millennium goals regarding the empowerment of women.
- To provide an innovative and quality conciliation service.

The programme is aimed at everyone, although its main target groups is people who are the most exposed to exclusion and to single-parent families.



CONCRETE ACTIONS

- **Workshops on financial inclusion and education for families***: Four workshops are organised on an annual basis at different levels, namely basic level or advanced level. The aim is to provide the participants with a clear and solid knowledge-base.
- **Financial advice**: interviews are held to determine a family's needs, to carry out a diagnosis and to draw up a personalised action plan. Whilst, generally speaking, the initial contact is established over the phone or by the person concerned getting in touch with us on the internet or through other programmes run by the Foundation, where possible we try to organise a personal interview on a systematic basis.
- Website on financial education for families and energy efficiency <http://gestionfamiliar.es>
- Preparation of guides and manuals.

* Participation is compulsory for people who received a loan from the Foundation.



FINANCIAL INFORMATION

The annual costs of the project amount to €42,000 and they cover the staff's wages, maintenance of the premises used, training and activities, travel and subsistence costs and materials used during the workshops/work days.

The funding comes from a subsidy provided by the Ministry of Health, Social Services and Equality. It is taken as a 0.7% levy on personal income tax and amounts to a total of €40,000. The remaining €2,000 are financed from our funds.



PARTNERSHIPS

The foundation currently has more than 40 active volunteers from all professions, but we also receive aid from a variety of institutions and organisations such as the municipality of Leon, the Caixa social project, ACA (Association for Environmental Sciences), SECOT (Spanish Senior Citizens for Technical Cooperation), EREN (Regional Energy Body for Castile-Leon), FELE (Leon Federation of Entrepreneurs), OMIC (Leon Municipal Consumer Information Office), the University of Leon and the MUSAC (Castile-Leon Museum of Contemporary Arts).



IMPACT

More than 150 people have taken part in the workshops over the last few years: 98% of participants were women and 2% men. Amongst the women there were both Spanish participants and migrant women of different origins. The majority were single-mothers.

Last year, more than 6,800 people visited the programme's website, <http://gestionfamiliar.es>.

FOR MORE INFORMATION



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INFORMATION SESSIONS AND PUBLICATION ON MANAGING HOUSEHOLD FINANCIAL MATTERS

GEZINSBOND • BELGIUM

In June 2015, the Gezinsbond issued a publication titled "Focus on Financial Education – It's more than giving pocket money". This 70-page booklet is published in Dutch and is sold at the price of 14 euros (including shipping cost). Gezinsbond members pay 10 euros. As of September 2015, the Gezinsbond organizes information sessions on how to manage everyday financial matters.



BACKGROUND INFORMATION

With the information sessions and the publication we aim to enhance the financial literacy of families. This action is a part of our long term policy strategy launched in 2014 that concentrates on the needs of vulnerable families. As a consumer organization, it is also our task to protect and inform families as consumers.

Context:

- Research shows that financial literacy in Belgium is rather low.
- Financial education in secondary education is insufficient.
- A record number of families face over-indebtedness.
- Young people about to leave home are often unprepared to be financially independent.
- Financial issues remain a taboo subject in many families.



AIMS OF THE INITIATIVE

We want to make clear and correct information available to young people and their parents. We want to inform them on the minimal cost and other key implications of living on your own.

The information session and the publication target young people who are about to leave home, whether they are about to go live on their own, with a partner or with a group of other young people. We also target their parents, who want to be able to inform and support their children throughout this important event.



CONCRETE ACTIONS

During the information session, the following topics are covered: how to plan your household budget, insurances, savings, the pros and cons of different forms of cohabitation, renting, moving, moving abroad, mortgages, payment methods and online shopping. Attendees are also familiarized with the website www.wikifin.be, an initiative of the Financial Services and Markets Authority (FSMA) regarding all questions about money.

The information session can be organized by all local Gezinsbond departments.



FEEL FREE TO TAKE THIS POSTER OUT

ACCESSIBLE AND FAIR FINANCIAL SERVICES:



All families have needs



Families also need basic bank account to pay and receive payments



Families are vulnerable when it comes to financial services



Some families may be misled into taking the wrong decision



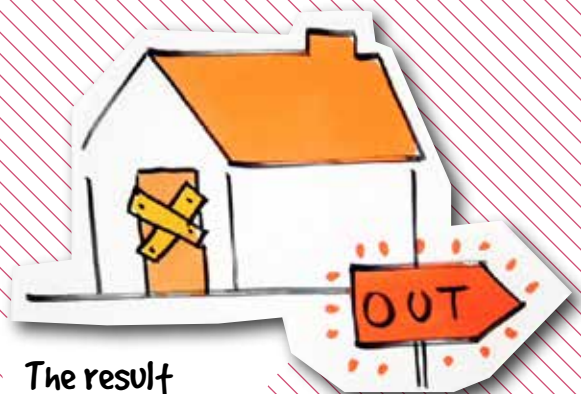
During a family's lifecycle anything can happen



A spike in family spending



Some families could be not able to pay back their loan



The result can be disastrous

ALTERNATIVES TO MAINSTREAM BANKING



What are the alternatives?



Independence financial guidance, good financial education and awareness of the risks



There can be solidarity in financial services...

... Via the mutualisation of certain risks



Budgetary education helps families to make more informed choices

Better laws serving the interest of families are fundamental in ensuring access to fair financial products and services



Some measures include social and microcredits initiatives



Banks should carry out better credit-worthiness checks

By shaping policies, we are making these changes happen for all families!

coface

CONFEDERATION OF FAMILY ORGANISATIONS IN THE EUROPEAN UNION

www.coface-eu.org

The publication is a sort of manual for young people who are about to go live a financially independent life and focuses on:

- The role of education.
- Risk factors and how to gain more resilience.
- How to manage your savings.
- The minimal cost and other key implications of living on your own (incl. checklist).
- How to plan your household budget.
- How to avoid over-indebtedness.
- Pros and cons of different legal ways of living together (marriage, legal or factual cohabitation...).



FINANCIAL INFORMATION

Regarding the information sessions, apart from the personnel expenses, costs are limited to renting a venue and promoting the event. As regards the publication, we do not have a detailed budget analysis, since it consisted primarily of personnel costs. An overview of costs to be taken into account:

- Author fees for external experts.
- Wage cost for Gezinsbond staff working on: writing part of the publication, editing, lay-out, promotion, managing the orders.
- Shipping of ordered copies (envelopes, stamps).



PARTNERSHIPS

The information sessions are organized in close cooperation with the Financial Services and Markets Authority (FSMA), a government institution tasked with contributing to the financial education of savers and investors. The content of the information sessions was developed in partnership between the Gezinsbond and FSMA. The info sessions are given by FSMA staff members. The publication is an initiative of the Gezinsbond, no partners were involved.



IMPACT

We have not been running this project long enough to be able to measure the impact yet, but the publication received positive media attention and is popular amongst our members.

In 4 months we distributed about 800 copies of the publication.

FOR MORE INFORMATION



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AN EASY TO READ AND EASY TO UNDERSTAND GUIDE TO BANKING

NOUS AUSSI – FRENCH ASSOCIATION OF PEOPLE WITH INTELLECTUAL DISABILITIES • FRANCE

The Guide to Banking was published in 2014 to provide accessible information to people with intellectual disabilities and to other people who may have comprehension difficulties.



BACKGROUND INFORMATION

In 2009, Nous Aussi, the French Association of people with intellectual disabilities, established a partnership with the Fondation Crédit Coopératif in order to publish several brochures in French on the accessibility of information and training for people with intellectual disabilities, notably European rules to promote information which is easy to both read and understand. The Fondation Crédit Coopératif, which is the corporate foundation of the Crédit Coopératif bank, proposed to complete the partnership by drawing up a guide to banking which is easy to understand.



AIMS OF THE INITIATIVE

The bank is an important place in our everyday life. It is where we can deposit and withdraw our money. But it is not always easy to understand how banking works: bank documents are complicated.

Bank advisors are not always able to explain things in simple terms because they are not aware of the need to do so, do not have the time or because they do not know how to provide simple explanations. This is a problem for all people who find reading difficult or who have comprehension difficulties, for example people with intellectual disabilities.

The guide, which is easy to read and to understand, explains how banking works and how to use a bank account:

- What is the purpose of a bank.
- How does one open a bank account.
- The different means of payment: cash, payment cards, cheque books, transfers.
- The security of the different means of payment.
- Managing money: the provision of advice, what does saving mean, what does borrowing mean.



CONCRETE ACTIONS

The banking guide was drawn up with people with intellectual disabilities who are members of Nous Aussi. The topics addressed in the guide were chosen with them and the understanding of the text and of the pictograms was also tested by them.

Furthermore, several experts from the Crédit Coopératif also read the text to ensure the accuracy of the information it contains.

The Guide was then disseminated in the branches of the Crédit Coopératif, the local offices of Nous Aussi and the Unapei network (French National Federation for the defence of the rights of people with intellectual disabilities and their families), as well on a variety of websites.



FINANCIAL INFORMATION

The project cost €6,500 (including costs related to the meetings of the group responsible for the drafting and printing costs). The project was financed by the Crédit Coopératif Foundation.



PARTNERSHIPS

The key project partners were the Crédit Coopératif Foundation and the Crédit Coopératif.



IMPACT

The many copies of the Guide distributed to the Crédit Coopératif branches throughout France enable the bank advisors to interact with people who have intellectual disabilities and other people who have comprehension difficulties in a way which meets their needs. This is part of a wider approach adopted by the Crédit Coopératif to make its branches more accessible to people with intellectual disabilities. It should be noted that people who have been placed under a guardian or warden form part of the Crédit Coopératif customer base.

The copies distributed throughout the Unapei network are used as an educational resource for adults with intellectual disabilities who have been placed under a guardian or a warden and for young people with intellectual disabilities who are soon to become adults.

The banking guide enables people with intellectual disabilities to develop a better understanding of how banking works and how to use a bank account. Thanks to this guide, people with intellectual disabilities are better prepared to discuss bank related issues, not only with the bank itself, but also with their guardian, warden or family. People with intellectual disabilities can also be more independent and are better equipped to contribute to decisions regarding their money, and bank advisors are also better equipped to explain banking to people with intellectual disabilities.


To date, more than 7,000 hard copies of the guide have been distributed and it is frequently downloaded from the Nous Aussi website: <http://www.nousaussi.org/2014/02/le-mode-d-emploi-de-la-banque-de-nous-aussi.html>

Reference is made to the guide on the website of the Inter-ministerial Observatory for accessibility and universal design (<http://www.developpement-durable.gouv.fr/Mode-d-emploi-de-la-banque-en.html>)

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ACTIVITIES AND PUBLICATIONS RELATED TO FINANCIAL INCLUSION

ASSOCIATION OF FRENCH PARALYSED PEOPLE (APF) • FRANCE

The Association of French Paralyzed People is responsible for a large number of activities and publications in the field of financial inclusion: information campaigns and participation in conferences, the provision of advice and information to families, information campaign for a better national regulation of financial services.



BACKGROUND INFORMATION

Far too often, a disability is the cause or the consequence of a severely precarious situation or poverty for the people who have the disability and their family.

The APF's activities take place, in particular, within the framework of the Inter-Ministerial multi-annual plan to tackle poverty, to which the Association is able to contribute.



AIMS OF THE INITIATIVE

Our aims were to raise awareness about the links between disability and poverty and to provide advice to people with a disability and their family where needed.

Our target groups are people with disabilities, their family and family carers.



CONCRETE ACTIONS

The APF drew up and published a guide to taxation for people with a disability and their family (which is available every year) and contributed to the Conference on "The fight against poverty and in favour of social inclusion", which was held on 10 and 11 December 2012, as well as to the second social conference held in June 2013.

Other actions:

- **Information to families regarding financial/budget-related questions** through an APF guide to taxation, which exists in both paper and electronic form, which addresses tax-related topics which are relevant throughout the year: value added tax (VAT), tax on appliances, special equipment or technical aids, on work carried out to make buildings or housing more accessible, which is subsidised by the National Agency for

Housing Improvement (ANAH), on work carried out on premises used for housing; TV licence, payroll tax, inheritance and gift tax, as well as on the eco-tax or the eco-incentive scheme.

- **Aid/advice** for families on financial issues provided by the APF's legal service.
- **Lobbying/advocacy campaign** in favour of a better national regulation of financial services and financial inclusion.

http://www.faire-face.fr/boutique/guide_pratique/guide-fiscal-des-personnes-en-situation-de-handicap-edition-2015/



FINANCIAL INFORMATION

The publication of the taxation guide costs the APF €600 per year (the costs cover the updating of the guide by a journalist and the layout/design).



PARTNERSHIPS

There are no partner organizations involved.



IMPACT

The Faire Face taxation guide only exists in a downloadable electronic format, there are no paper copies of the guide. It is free of charge to subscribers and costs €2.90 for non-subscribers. There is a high demand for the guide, which is updated on an annual basis.

FOR MORE INFORMATION



Chantal Bruno



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LOBBYING TO DISCONNECT BONUSES FROM PRODUCT RISK

GEZINSBOND • BELGIUM

It is a common practice for banks and insurance companies to award bonuses to employees for selling higher risk products and services. The Gezinsbond has lobbied the financial sector to put an end to this practice.



BACKGROUND INFORMATION

The Gezinsbond started this action in order to protect consumers of financial products (such as mortgages, investment products, savings accounts...) from the aggressive sales incentives approach of bankers.

We found that bank staff and financial intermediaries were remunerated based on the riskiness of the products and services sold. Their salary is linked to the achievement of certain targets set by product or by group of products, which are listed in a scoreboard. The higher the risk of a sold product, the higher the remuneration or incentive. This sales incentives policy led to situations in which bank staff and financial intermediaries gave advice that was in their own interest instead of the interest of consumers. It pushed consumers into taking more risk than they actually wanted or were able to cope with.



AIMS OF THE INITIATIVE

The Gezinsbond wants to protect consumers of banking products and services such as savings, investment products and mortgages. We want to make sure that bank staff and financial intermediaries offer consumers neutral and independent advice in line with the consumer's best interest.

All consumers of banking products and services such as savings, investment products and mortgages.



CONCRETE ACTIONS

The Gezinsbond took part in the "Dialogue Platform Consumer - Financial Sector" which was created in the after run of the banking crisis with the aim to restore confidence of consumers in the financial sector. Gezinsbond is also a member of the official consumption

council which advises the Belgian federal government. Within these platforms, Gezinsbond has lobbied intensively to put an end to the practice of linking remuneration to the level of risk of banking products and services.



FINANCIAL INFORMATION

Costs were limited to personnel expenses at Gezinsbond. Therefore, we do not have a detailed budget.



PARTNERSHIPS

No partners were involved.



IMPACT

The issue of linking remuneration to product risk was included in the recommendations published by the "Dialogue Platform Consumer - Financial sector". After further lobbying it was also included in the code of conduct of the financial sector.

We do not have concrete figures on how many banks have implemented this recommendation by adjusting their salary policies.

FOR MORE INFORMATION



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TRANSPARENCY RULES: EXAMPLES OF GOOD AND BAD PRACTICES.

"HOLA BANCO" CAMPAIGN

GENERAL ASSOCIATION OF CONSUMERS (ASGECO CONFEDERATION) • SPAIN

The consumer information campaign began in 2013 with the aim of helping consumers to become better equipped to deal with banking institutions and to raise their awareness of each party's rights and duties.



BACKGROUND INFORMATION

Whilst there are many laws in Spain designed to defend the interests of consumers, banking transparency and credit institutions' good faith in their dealings with their customers is not always the order of the day. Examples of bad practice include the so-called "ceiling" clauses, preferential clauses, multiple and incomprehensible commission fees, etc. That is why ASGECO thought that it would be appropriate to launch this project.



AIMS OF THE INITIATIVE

The project is aimed at consumers and its main objective is to ensure that they are better equipped (in terms of the information they have and the behaviour they adopt) in their dealings with financial institutions.

The aim of the project is also to expose certain banking practices (illegal commission fees and clauses), to disseminate the study carried out on these issues, together with its conclusions, to raise consumer awareness, to encourage them to take action and to provide them with an assistance and complaints support service when they are faced with practices by credit institutions which they consider to be illegal or which they have fallen victim to.



CONCRETE ACTIONS

We have carried out the following actions in order to achieve these objectives:

- A study on the reality of banking practices (analysis of the advertising placed by banking institutions, round tables with employees and customers, mystery shopping, etc.).
- Summary report and practical guide.
- Website, viral distribution on social networks, information guides, presentation of the campaign and presentation of the results of the study in order to ensure their dissemination.
- Short video clip showing funny situations designed to raise consumer awareness and to encourage them to take action (featuring a famous comedian and distributed on social networks).
- Assistance and complaint support services for consumers regarding illegal practices.



FINANCIAL INFORMATION

The overall project cost was €136,560.90. The National Consumer Institution financed 80% of this figure, whilst the remainder was provided out of ASGECO funds.



PARTNERSHIPS

The Ministry for Health, Social Services and Equality/National Consumer Institution.



IMPACT

The project indicators show that it has achieved its objectives. As part of the project, we have received 7,078 complaints and requests for advice regarding abusive banking clauses or aggressive practices. We have distributed more than 2,500 summary reports to the bodies covered by the project. There have been close to 2,200 document downloads from the website. The video has been viewed on YouTube and social networks more than 50,000 times.

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QUICK LOANS RAPIDLY LEAD TO PROBLEMS

GENERAL ASSOCIATION OF CONSUMERS (ASGECO CONFEDERATION) • SPAIN

This financial education campaign started in October 2015 and is still underway. It is designed to provide users and consumers with information regarding the features and conditions attached to quick loans, as well as the related risks. It also sets out to present alternatives so as to enable consumers to act responsibly when they decide to take out a loan.



BACKGROUND INFORMATION

As a result of the crisis and the increase in the number of families who find themselves burdened with excessive debt and the difficulties experienced in accessing credit, there has been a proliferation in the number of non-financial institutions, debt consolidation companies or companies which specialise in providing small loans. Loans provided by these types of bodies are presented as being “quick, easy, no-collateral required loans” but they carry high interest rates, short repayment schedules and substantial commission fees.



AIMS OF THE INITIATIVE

The initial objectives of this initiative were:

- To review the provision of quick loans and their conditions and features and to place consumers in a better position when faced with this reality.
- To circulate the study and its conclusions through the various distribution channels.
- To raise consumer awareness of the characteristics and consequences of quick loans through video clips, travelling exhibitions, guides... and encourage them to take action.
- To provide consumers with an assistance and advice service regarding quick loans, their consequences and their effects.



CONCRETE ACTIONS

In order to gain a better knowledge of the provision of this type of services, we have carried out a study on quick loans provided by non-financial bodies. This study is composed of a summary report, a qualitative analysis and a bibliographical analysis. The distribution of the report and of its conclusions, as well as the work regarding consumer awareness raising, has been carried out through the following activities:

- Creation of a website.
- Production of a promotional video.
- Organisation of a mobile exhibition through 15 towns and 10 autonomous communities.
- Undertaking of surveys and distribution of information guides to consumers during the mobile exhibition.
- Creation and maintenance of a blog during the mobile exhibition.
- Viral distribution on social networks.
- Organisation of a presentation day.

These actions come as an addition to the assistance and advice services mentioned above.



FINANCIAL INFORMATION

The project, which is still underway, has a budget of €133,210.65. The Ministry for Health, Social Services and Equality/Spanish Agency for Consumers, Food Security and Nutrition financed 80% of this figure, whilst the remainder was provided out of our own funds with the support of the Caixa. ASGECO bears sole responsibility for the contents of the project.



PARTNERSHIPS

The Ministry for Health, Social Services and Equality/Spanish Agency for Consumers, Food Security and Nutrition and the Caixa.



IMPACT

We have used a variety of indicators to assess the impact of the project:

- Number of visits to the on line media: 1,190,425.
- Number of views of the videos: 212,203.
- Number of interactions with the users: 8,527.
- Number of pages visited: 3,515.
- Number of guides distributed: 20,000.
- The large scale media coverage at the local level (radio, TV, written press).
- The many visits to the local public authorities (mayors, councillors, etc.) and consumer organisations (local consumer organisations, local community or provincial councillors, etc.).

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CREATION OF BUDGET ADVICE POINTS

NATIONAL UNION OF FAMILY ASSOCIATIONS (UNAF) • FRANCE

In 2016, UNAF is due to take part in an experimental programme to introduce budget advice points in four regions in France.



BACKGROUND INFORMATION

A multi-annual plan to combat poverty and to promote social inclusion was established in 2012 by the State, civil society and industry (notably the banking sector). One part of this plan concerns the prevention of excessive debt. One of the key measures is an experimental programme to introduce budget advice points. This proposal was made by the movement of associations, on the basis of similar schemes which already exist in Europe (e.g.: the Money Advice Budgeting Service in Ireland).



AIMS OF THE INITIATIVE

The objective behind this proposal is to establish places, within the regions covered by the experimental programme, where high quality global budgetary support can be provided free of charge and in complete confidentiality. This service is open to all families faced with financial difficulties or close to finding themselves in that situation. It is aimed, in particular, at middle class families burdened with debt, with a view to preventing them from falling into excessive debt and poverty.



CONCRETE ACTIONS

The main idea is for families to address their concerns directly to the Budget Advice Point (BAP) or be referred to it by a creditor who has detected an outstanding payment and has obtained the family's agreement to set up an appointment at the BAP. A global diagnosis of the structure of the families' budget and debts is then carried out on the basis of supporting documents. A plan of action is put together with the people who visit the BAP, according to the urgency of the situation and the skills that the people in question possess, in order to ensure a return to a balanced budget over the course of time. Financial instruments may be used (micro-credits, social benefits ...), legal advice may be given and the Budget Advice Point's families may also be directed towards other local partners; this will

all be carried out with a view to encourage the families to be more accountable and responsible.

The experimental phase will begin in January 2016. The first pilot project was launched in October 2014 in Nièvre.



FINANCIAL INFORMATION

In the end, no national public funding has been set aside to fund the working time of the advisers or the project leaders. The UDAFs (Departmental Unions of Family Associations) are required to find complementary (public or private) funding at the local level.



PARTNERSHIPS

The partners include:

- Banks, energy suppliers, housing providers who help to detect outstanding payments and ongoing debt mediation procedures.
- Local employers for the detection of workers faced with financial difficulties.
- The various social actors for the provision of guidance or referrals (health, housing, mobility...)



IMPACT

It is too early at this stage to measure any form of impact.

FOR MORE INFORMATION

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ACCESS TO PROPERTY FOR LARGE FAMILIES THROUGH SOCIAL CREDITS

WALLOON HOUSING FUND • BELGIUM

Our objective is to provide large families (with three children, those treated as children of the family or more) who have a low, modest or precarious income with the means to build, buy, upgrade, re-build, adapt, conserve, improve or preserve the ownership of a first home in the Walloon Region which is earmarked for personal occupancy, by granting them a social mortgage or energy-efficiency loans.



BACKGROUND INFORMATION

The Walloon Housing Fund is a private company with its roots in the cooperative and association movement and is the regional successor to the Belgian Housing Fund for Large Families, which was created in 1929 by the Belgian League of Large Families. At the time, as is the case today, the aim was to enable low-income large families to access decent housing.

When responsibility for housing was regionalised in 1980, the Belgian Housing Fund for Large Families was split into three separate bodies (Flanders, Wallonia and Brussels capital). The Walloon Housing Fund is one of these bodies and is established in the form of a limited liability cooperative company.

Our missions are recognised as being in the public interest by the Walloon code for housing and sustainable homes and are defined by article 179:

“In order to implement the right to housing, the cooperative company, Housing Fund for Large Families in Wallonia, hereinafter referred to as the Fund, pursues the following public interest missions:

1. To provide large families who have a low, modest or precarious income with the means to build, buy, upgrade, re-build, adapt, conserve, improve or preserve the ownership of a first home in the Walloon Region which is earmarked for personal occupancy, by granting them a social mortgage – Decree of 15 May 2003, art. 110, 1st para. (or energy-efficiency loans – Decree of 9 February 2012, art. 83).
2. To provide large families who have a low or precarious income with the means to rent housing.”

Furthermore, the Fund's actions also contribute to the implementation of art. 23 of the Constitution (namely the right to decent housing).

We receive financial support from the Walloon Region and as a result we are bound by various obligations which are set out in a management contract.



AIMS OF THE INITIATIVE

Specifically, our annual operational objective is to grant, each year, about 140,000,000 EUR in social mortgages (approximately 1,000 loans) in order to provide families which have at least three children (or those treated as children of the family), which have a low, modest or precarious income, with the means to acquire, renovate, conserve the ownership of a first home in the Walloon Region, which has been earmarked for personal occupancy.

The Fund also provides the same beneficiaries with interest free loans for works designed to improve the property's energy-efficiency.

The mortgages are granted at a fixed rate which is well below the conditions imposed by banks. They vary according to the number of dependent children, the amount of taxable income and the geographic location of the building (areas in which property is in high demand).





CONCRETE ACTIONS

In the framework of our activities, we make every effort to provide families with financial and technical advice which is adapted to each project so as to ensure long-term access to quality housing. Accordingly, our financial advisers strive to ensure that the borrowers do not take on excessive debts by providing them with the most complete information possible regarding the financial advantages and disadvantages of home ownership. For their part, our technical advisers provide their advice from the moment that the survey is performed and throughout the execution of the works. Finally, in the event that issues arise regarding the repayment of the loan, the follow-up service may mandate one of its social assistants to work with the family to agree upon a solution which is acceptable to both the family and to the Fund. The Fund also provides complete and customised support to families who ask for it.



FINANCIAL INFORMATION

As already mentioned, the Fund's missions are recognised as being in the public interest and for this reason the Walloon Region provides the following within the framework of its remit:

- A guarantee (+/- 120,000,000 EUR) so that the Fund can raise the amount of money it requires to carry out its social lender activities on the financial markets.
- A capital grant (which is calculated according to the rates) so as to make up the difference in rate between the borrowing rate on the financial markets and the social loan rates granted to the Fund's borrowers.

The borrowings are raised on the financial markets through public procurement procedures.



PARTNERSHIPS

Our main partner is the Walloon Region.



IMPACT

Up to the 31st of December 2014, the outstanding loans represented:

- 19,414 credits.
- 1.200 billion EUR.




In other words, there are thousands of families who have been able to access property and improve and conserve it thanks to the credits they have received from the Fund.

During 2014, 1,114 mortgage loans and 835 instalment loans were granted in order to finance energy-efficiency works, in other words 1,949 new credits.

A few figures for 2014:

- Average amount of a mortgage loan: 144,253 EUR.
- Average monthly payment per credit is 644.94 EUR, which represents 20.94% of the household's resources on average.
- 63% of the loans have been granted for a repayment period which varies between 25 and 30 years.
- 66% of the loans have been granted to families which have a precarious income.

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