

## **FINANCIAL LITERACY CRITICAL TO NATION BUILDING**

The importance of being financially savvy cannot be underestimated – especially against the backdrop of a declining economy. For consumers to be able to understand and negotiate the financial landscape, manage risks effectively and avoid financial pitfalls requires a strong understanding of financial principles – a problem found in both emerging and developed countries worldwide. To this end, National Treasury, the Financial Sector Conduct Authority (FSCA) and the National Consumer Financial Education Committee will be rolling out MoneySmartWeek South Africa (MSWSA 2020) between 23 and 28 March 2020. This financial literacy campaign is aimed at motivating and empowering South Africans to become better educated about their finances.

The campaign will provide a national collaborative platform to enable expanded dissemination of financial education by participating institutions and individuals across a variety of industries and sectors, including financial institutions, Non-Governmental Organisations, (NGOs), Public Benefit Organisations (PBOs), companies, schools, universities and communities.

According to Advocate Dube Tshidi, Executive Officer of the FSCA, the platform will provide a 360-degree overview of financial education in South Africa.

“MoneySmartWeek is an opportunity for organisations or individuals to showcase their financial education programs and activities across the country by running events during the week of 23 to 28 March 2020,” he says. “Whether you are a community group, financial services provider, regulator, policy maker or consumer financial educator, we want you to join this national collaboration to expand financial education in South Africa. I urge you to play your part in contributing to a more financially literate country. After all, one financially literate person in a home can influence an entire generation.”

Results from the Human Sciences Research Council’s 2017 Financial Literacy component of the South African Social Attitudes survey revealed that nearly half (48%) of South Africans did not manage to save at all, and a significant segment (42%) of the adult population had no long-term savings.

The low savings culture and the failure to service debt, together with a decline in disposable income, make a campaign such as MSWSA 2020 more vital as improved financial literacy can play a major role in improving consumers' ability to make sound and informed financial decisions.

“Our objective is aligned to last year’s Budget Review of building a financial services sector that serves all South Africans, thereby enabling the common value of nation building,” says Adv. Tshidi. “By bringing financial education, awareness, information and expert advice to the eyes and ears of our communities, their workplaces and their homes, we can make a real difference.”

In contrast to the pilot initiative in 2018 which only targeted Gauteng, MSWSA 2020 will be implemented across all 9 provinces in South Africa.

Any company with an interest in financial literacy can apply to host an educational event or program that enables consumers to make better informed decisions about their finances, lifestyles and business ventures. Smaller organisations can also contact their holding company or relevant industry body if applicable, in order to collaborate on joint initiatives.

Whether the topic is about saving, budgeting, borrowing or investing, retirement planning, home ownership or insurance, there are South Africans around the country that want to know more.

All approved events will be promoted via various MSWSA channels as well as through dedicated Public Relations and marketing efforts including an extensive print, broadcast and digital marketing campaign. Participants will also be included in the public report on MSWSA 2020, whilst Financial Services Institutions, if compliant, will qualify to earn their organisation points as per the Financial Sector Code.

In return, participants will be asked to report on several measurables to the MSWSA team, to allow the organisation to understand how financial education is currently being offered, and identify any gaps based on the needs of all South Africans.

Interested organisations that wish to access the participation guideline and application form are urged to visit <https://www.mswsa.co.za/>. Alternatively

please email [info@mswsa.co.za](mailto:info@mswsa.co.za) to find out how you can become involved in building a money smart South Africa.

Ends

Issued on behalf of MSWSA 2020 by Creative Space Media.

Leigh Callipolitis

083 264 6563

[leigh@creativespacemedia.co.za](mailto:leigh@creativespacemedia.co.za)