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STATEMENT

At the Launch

Financial Literacy Program

February 6, 2009

Good Morning ladies and gentlemen of the Media:

Launch-

We have invited you here this morning as a partner, to the launching of the Bank of Guyana's Financial Literacy Program, which we will be formally embarking on during the second quarter of 2009.

Background-

In broad terms financial literacy is the ability to understand finance and to make informed decisions on how to use money.

While the promotion of financial literacy is more advanced in the developed countries like the United States, Europe and the United Kingdom, it also being promoted in the Caribbean Region. The Central Bank of Trinidad and Tobago formally launched its National Financial Literacy Program in 2007.

The Bank of Guyana recognizes that there is an overwhelming need for educating the broad populace in financial matters that daily impact their lives. The recognition comes from the Bank's own observations arising from its continued surveillance of the financial sector and from queries/complaints received from consumers of financial services provided by the banking sector.

Objective of Programme

The principal aim of this Financial Literacy programme is to provide the broad populace- *students, parents, youth organizations, homeowners, entrepreneurs consumers* and others with basic and essential financial knowledge to make informed financial decisions that could enhance their lives with greater economic security and subsequently translate into greater national wealth with higher economic growth and development

Benefits of the Financial Literacy Programme

More specifically we believe that the financial literacy programme would help individuals

- Improve their financial well-being
- Provide them with fundamental numeracy skills – help them to calculate their interest earned on deposits and interest to be paid on loans, service charges ect.
- Provide the guidance to making wise savings and borrowing decisions
- Provide the guidance for responsible use of money
- Help them to understand their rights as consumers
- Help them to be aware of and avoid schemes aimed at defrauding them of their lives savings
- Help them to make wise investment decisions
- Identify counterfeit notes and fraudulent transactions
- Help them understand the value and safety of using personal cheques and manager's cheques to move large sums of money in settling transactions
- Understand how they contribute to the economic well-being of the economy
- Help them to understand the role of the commercial banks in the economic development of the country
- Help them to understand the supervisory and regulatory roles of the Bank of Guyana; among other benefits

How this will be achieved.

Mass Media-

- Television
- Radio
- Newspapers
- Internet
 - Bank of Guyana website
 - Commercial Banks' website

Posters

Seminars and workshops

Partnership-

Educating the public on Financial Literacy is a mammoth undertaking. The Bank therefore proposes to partner with others in this programme. The likely partners would include but would not be limited to:

- Commercial banks
- Trust companies
- Community groups
- Consumer groups
- The Ministry of Education
- The Ministry of Finance
- Other local Regulatory authorities- Commissioner of Insurance and the Securities council
- Micro Finance institutions
- Chamber of Commerce
- Small business association

And of course, you the media.

Current awareness programs

In a more subtle way the Bank has already commenced educating the public in financially linked matters. For example, the Bank has had public awareness workshops/seminars on *know your money*. We have been as far as Parika, Linden and Corriverton and have educated 658 individuals. We have also endeavored to educate the public on the value of a cashless society- through the use of points *of sale*, *cheques*, *tele-banking*. In a more formal way, we have

substantial of information on our website (www.bankofguyana.org.gy), but this Financial Literacy programme is geared to educate everyone across the length and breath of Guyana and we hope to achieve this with your full support

There is a consensus that Financial Literacy, just like reading and writing, positively impacts the livelihood of every individual. It also affects the economic and social well-being of every community and, ultimately, the financial system and the overall strength of the nation's economy

End.