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Financial Sector Development Project

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Press Release

**Ukrainian Youth to Study Financial Literacy Through
USAID Financial Sector Development Project (FINREP)**

Kyiv, Ukraine, March 1, 2012 – Poorly educated consumers are a very weak base upon which to build a strong financial system. The U.S. Agency for International Development (USAID) Financial Sector Development Project (FINREP) conducted the first ever national survey of financial literacy in Ukraine in December 2010, and found that more than 50 percent of the respondents struggled with answering basic questions about finances. Young Ukrainians were no more financially literate than older generation, according to the study.

To fill the education gap, in February 2012, the USAID Financial Sector Development Project and the NBU Banking University launched a pilot financial literacy project to teach 10th grade secondary school students in five regions of Ukraine (Lviv, Kharkiv, Donetsk, Cherkasy and Kyiv). The course focuses on practical skills on how to manage personal finances and adopt responsive financial behavior. It has 31 lessons in four topics: Money and Finance, Savings and Investments, Borrowing, and Financial Well-being.

“The authors sought to shift from theory, most commonly found in the present system of education, to practice,” pointed out Alex Kutsenko, USAID/FINREP’s Financial Literacy Project Coordinator. “Our target group, Ukrainians aged 16 to 20, can also transfer the knowledge and skills to other family members and to their community, as they learn and practice in using the newly acquired financial skills.”

Tamara Smovzhenko, Advisor to the Rector of the NBU Banking University, said that the National Bank and the Ministry of Education support the pilot project and that the Banking University has become the center for training teachers of the course. She expressed her hope that the subject would be included in school curricula so that a new generation of Ukrainians obtain the skills and knowledge required to function in a modern financial system and market economy.

“It is critical that Ukraine integrates financial literacy and awareness into a coordinated national strategy on financial education and establishes a coordinating body at national level to ensure the relevance and long-term sustainability of the program,” said Natalia Berezhna, the Project Manager for the USAID/FINREP project. “Such initiatives should be expanded to include adult population as well to help Ukrainians develop responsive financial behavior so that they could participate actively in today’s societies and economies.”

For more information about USAID’s Financial Sector Development Project and its activities, contact the project’s Communications team at: +38 (044) 379-1375 or visit www.finrep.kiev.ua.

The American people, through the U.S. Agency for International Development (USAID), have provided economic and humanitarian assistance worldwide for nearly 50 years. In Ukraine, USAID’s assistance focuses on three areas: Health and Social Transition, Economic Growth and Democracy and Governance. USAID has provided technical and humanitarian assistance to Ukraine since 1992. For additional information about USAID programs in Ukraine, please call USAID’s Development Outreach and Communications Office at: +38 (044) 492-7101 or visit: <http://ukraine.usaid.gov>. ###