

FINANCIAL MARKETS FAIR

‘PROMOTING FINANCIAL INCLUSION
THROUGH PUBLIC EDUCATION AND AWARENESS’

Presentation to the Jamaica Bankers Association
Marketing Committee

Wednesday 20 March, 2013

Jamaica Deposit Insurance Corporation
Bank of Jamaica
Financial Services Commission
Jamaica Stock Exchange

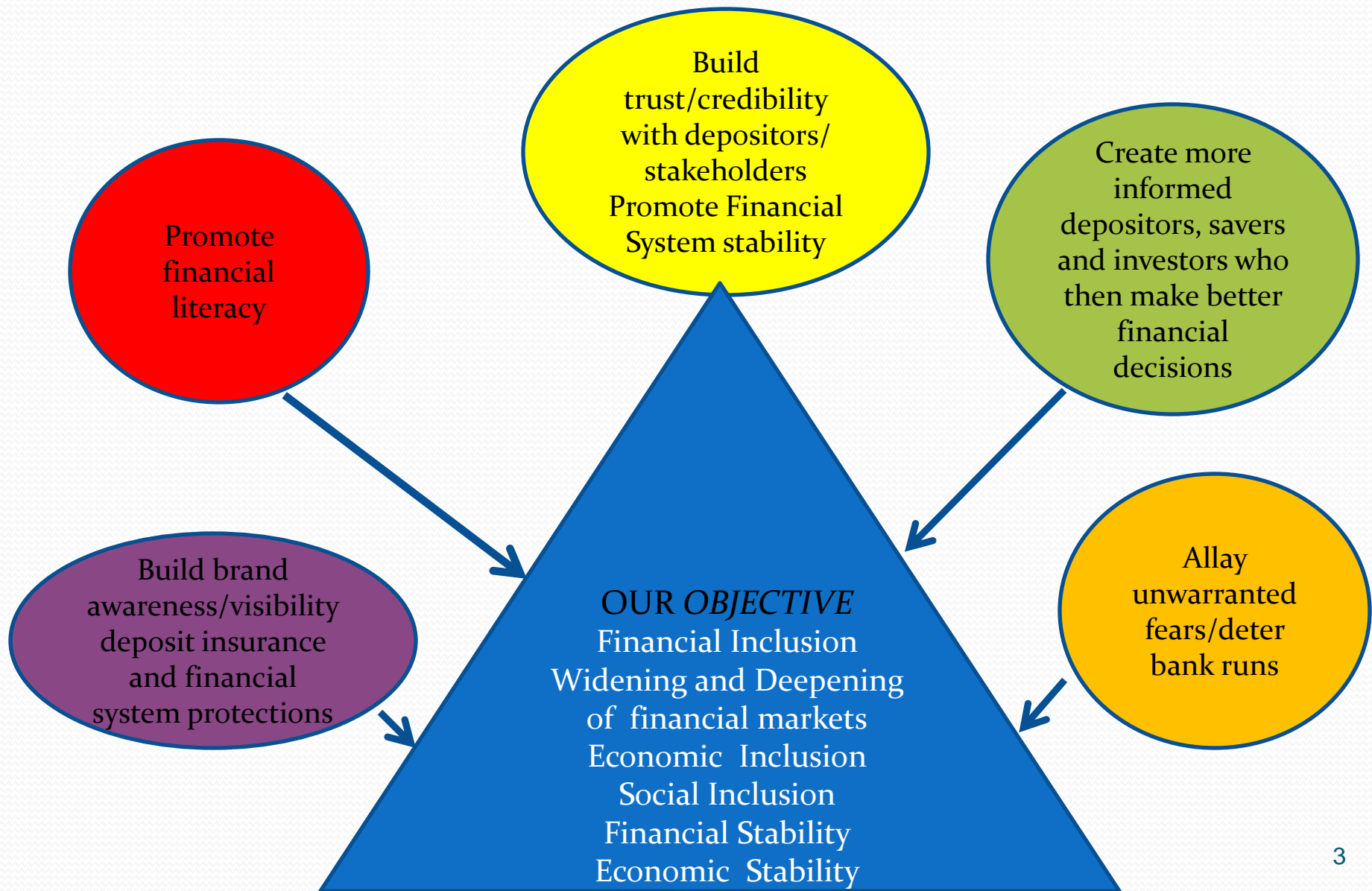


OVERVIEW

- JDIC marks 15 years of protecting depositors
- Public Education is one of JDIC's key business strategies
- Collaboration with Financial System Safety Net Partners and Policyholders
- Work together to promote and contribute to financial system confidence and stability



RATIONALE FOR PUBLIC EDUCATION PROGRAMME



BCBS/IADI CORE PRINCIPLES FOR EFFECTIVE DEPOSIT INSURANCE SYSTEMS

- Core Principle 13 states that in order for deposit insurance to be effective, it is essential that the public be informed about the benefits and limitations of deposit insurance.



PUBLIC EDUCATION PROGRAMME

The JDIC's Public Education Programme, done in collaboration with BOJ, FSC and JSE includes:

- *Public Forums and Seminars
- *Policyholders' Training Workshops
- *Print and Electronic Advertising
- *Schools' Programmes
- * **And this year** - Financial Markets Fair –



NATIONAL FINANCIAL LITERACY

- Financial Markets Fair supports National Financial Literacy in recognition of the pivotal role this plays in financial inclusion, economic inclusion, economic development and stabilizing the financial safety net, particularly in times of crisis.
- JDIC has partnered with the BOJ, FSC and JSE to host the Financial Markets Fair (the Fair) as part of activities to mark its 15th anniversary and now seeks to collaborate with Policyholders in successfully staging the Fair.



RESEARCHING THE 'UNBANKED'

In '*Researching the Unbanked*' the UWI Think Tank, Solutions for Society presented the following data in 2011:

- 34-38% of adults do not save or borrow through banks
- 33.65% of adult population do not own any bank products. This is equal to 1,280,685 adults who do not make payments using a bank owned product including ATMs
- The results suggest a malaise in regard to the use of banking services and the implementation of mobile banking, also that the inclusion of this group can be economically beneficially.



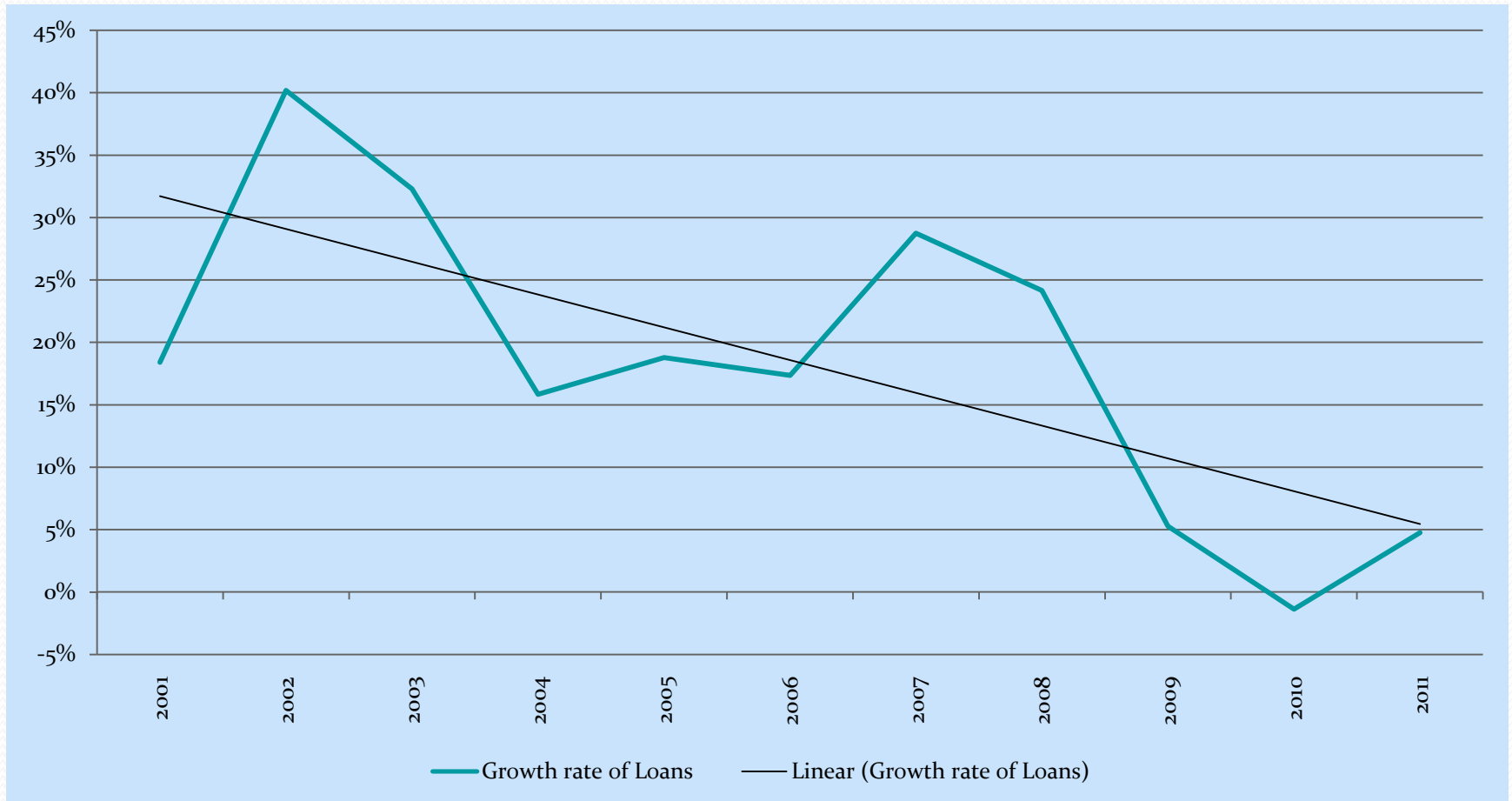
RESULTS OF JDIC's PUBLIC AWARENESS SURVEY

National Survey conducted in 2011-2012 indicates:

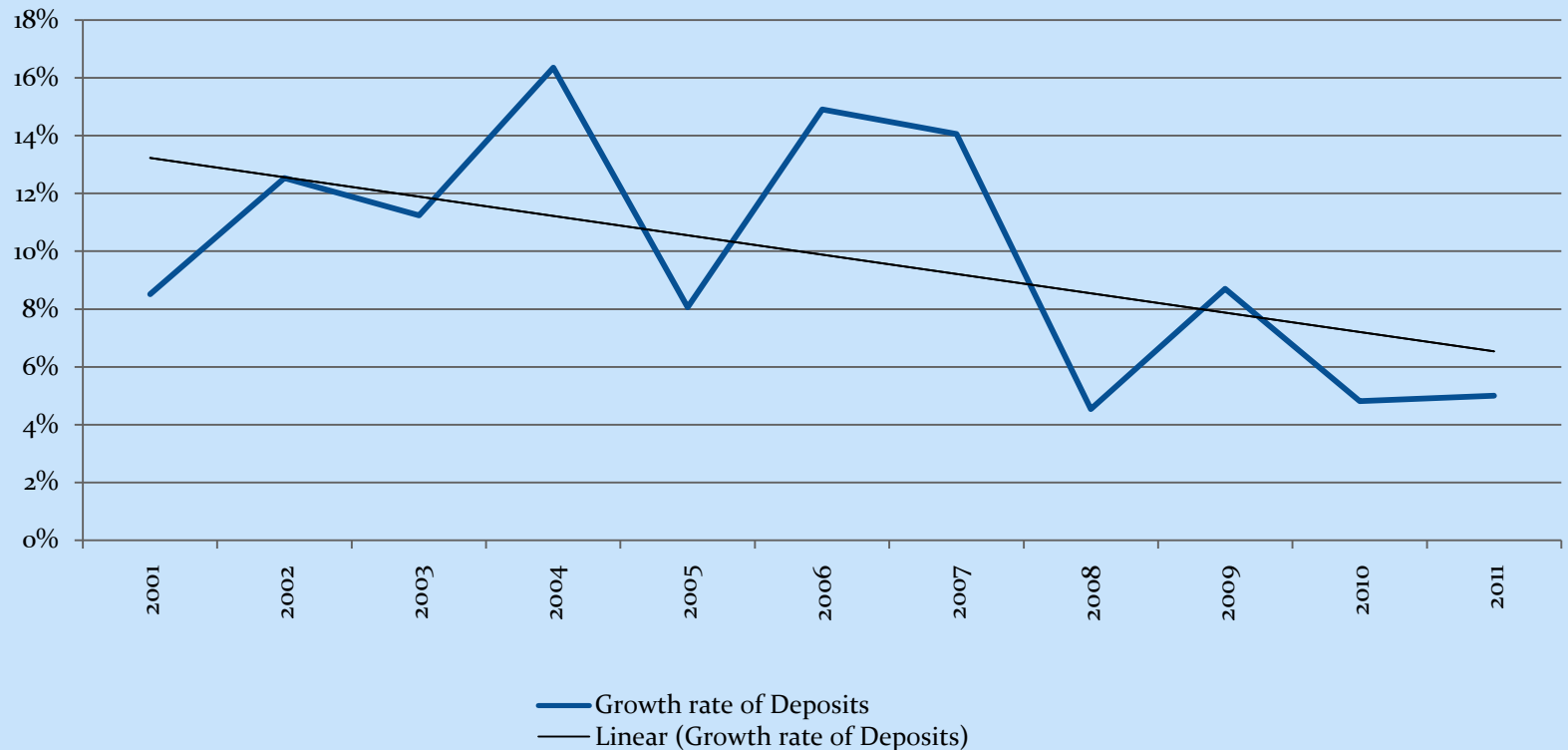
- 75% of population was aware of JDIC
- 48% was aware of the details of deposit insurance
- Awareness highest in upper and high income groups and 45-54 age group
- **LEAST AWARE: Age group 18-44 and the lower socio-economic group**



Growth Rate of Loans in the Banking System 2001-2011



Growth Rate of Deposits in the Banking System



FINANCIAL SERVICES COMMISSION BASE LINE SURVEY

- Preliminary finding showing that vast majority of population do not understand the legal rights and responsibilities under mortgages and other loan products, credit cards and other financial products.



JAMAICA STOCK EXCHANGE DATA

- Only 4 percent of population has investments in the stock market in Jamaica (compared to approximate 53 percent in the USA)
- Represents 140,000 accounts



OBJECTIVES OF FAIR

The main objectives of the Financial Markets Fair:

1. Target lower income and unbanked persons
2. Educate consumers on the various products/services available in the financial market place, including:
 - ❖ E-money and mobile banking
 - ❖ Deposit products
 - ❖ Investment products –stocks and bonds
 - ❖ Loan products
 - ❖ Micro financing
 - ❖ Debt counselling
 - ❖ Credit bureau
 - ❖ Money management
 - ❖ Investing for retirement (pension funds, Savings and affordable credit
 - ❖ Risk rating systems
3. Increase consumer understanding of financial system regulation and protection including deposit insurance and other consumer protection
4. Increase financial literacy
5. Promote financial inclusion
6. Help develop platform for economic inclusion



THE FAIR

◎ **THEME** - *Promoting Financial Inclusion through Public Education and Awareness*

◎ **VENUE**

◎ **SYMPOSIUM**

-Bank of Jamaica Auditorium

◎ **FINANCIAL MARKETS FAIR**

-St. William Grant Park
(Downtown, Kingston)

◎ **DATE**

- August 29-31, 2013



SOME KEY FEATURES OF THE FAIR

- ◎ DAY 1- Symposium – Presentations on development of national financial literacy programmes; how a properly functioning and sound financial system and financial literacy fosters financial inclusion, economic inclusion and economic development
- ◎ DAY 2- Opening Ceremony and Launch and Fair day
- ◎ DAY 3- Fair day and Closing Ceremony and Live Concert



SOME KEY FEATURES OF THE FAIR (cont'd)

- ◉ DAY 2 and DAY 3 will feature :
 - ◉ Financial services firms booths and booths of institutions involved in facilitating investments and development of micro business
 - ◉ Panel discussions and presentations on financial structures and products, how they work, the benefits and risks to financial consumers .
 - ◉ JSE Simulation of stock market trading
 - ◉ Live outside broadcast
 - ◉ Guided tours to JSE and BOJ and other national institutions



SOME KEY FEATURES OF THE FAIR (cont'd)

- ◉ Children's Village
- ◉ Entertainment



PARTICIPANTS/TARGET AUDIENCE

- JDIC Policyholders (BOJ regulated entities)
- FSC Regulated Entities
- JSE Members
- Jamaica Cooperative Credit Union League/Members
- Relevant Government Ministries and Private Sector Entities

Target Audience – the general public, in particular the UNBANKED and persons in the lower socio-economic group and SMEs



BENEFITS TO POLICYHOLDERS

- Market products/services including electronic banking and mobile banking services
- Educated attendees, consistent with the objective/theme of the Fair
- Capturing market share in the un-represented and under represented segments in the financial system
- Innovation of products and services for those not yet served



BENEFITS TO POLICYHOLDERS (Cont'd)

- Participate in outside broadcast
- Participate in presentations
- Expanded outreach of service in promoting financial inclusion
- Minimal cost - only cost of booth space and cost of innovation of products to target participants



Thank You.

