

A FINANCIALLY SMART GENERATION

The National Educative Campaign's Quarterly Newsletter



Launching of the national campaign "A Financially Smart Generation"

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Ministry of Education, Culture and Research of the Republic of Moldova in partnership with Junior Achievement Moldova, Agency for Consumer Protection and Market Surveillance, American Chamber of Commerce in Moldova with the support of the non-bank credit organization "Iute Credit" had launched the National financial education campaign for students "A Financially Smart Generation". The educational project aims to strengthen the knowledge of children, aged 7-18, in the financial field, in order to manage money efficiently.

The "Financially Smart Generation" campaign is a continuation of the project dedicated to financial education "Află totul despre bani" (Learn everything about money), carried out between October 2019 and December 2020.

MORE ON THIS ISSUE

NEW CAMPAIGN, NEW METHODS: CARTOON CREATED IN DOODLE

LILIAN GUZUN: BUSINESS MUST BE INVOLVED IN SOCIAL PROJECTS. COOPERATION CANNOT FAIL

QUOTATIONS OF EXPERTS - A FEATURE FOR SOCIAL MEDIA



“The campaign that we are launching now is an even more responsible challenge because it focuses on students’ healthy financial skills and habits. Unlike the previous campaign, the current one targets a special audience that needs early training, from school. Its purpose is creating a generation of financially responsible adults”, considers Lilian GUZUN, CEO of Iute Credit Moldova.

The “Financially Smart Generation” project will provide accessibility to students in the country to some educational materials that can be used in digital format, this being one of the main goals of the campaign.

“Taking into account the need of students and teachers in the Republic of Moldova for modern educational resources in the financial field, we encourage the initiative to provide them with relevant training tools to achieve the common goal of having a generation of young people with skills and abilities of correct and efficient management of financial resources”, said Lilia POGOLȘA, Minister of Education, Culture and Research of the Republic of Moldova.

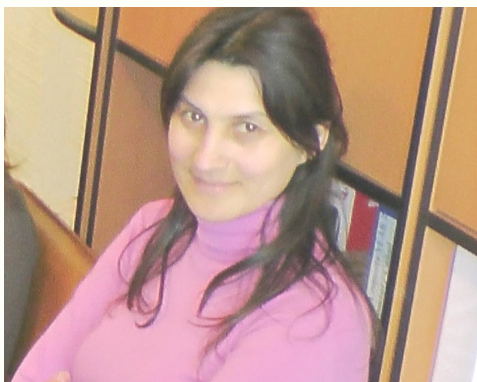
“During this period, we also marked World Consumer Rights Day, an opportunity to raise awareness of consumer rights and needs at the national level. In this context, it is very important to mention that the process of learning must start at an early age because any child who uses a product or service can already be called a consumer. As consumption is directly related to financial education, we consider it appropriate to be partners in this national project that aims to educate an informed and, therefore, stronger future generation”, stated Violina VARTA, Deputy Director of the Agency for Consumer Protection and Market Surveillance.

The Junior Achievement Moldova Association, whose mission is to motivate and prepare the young generation to successfully assert itself in the market economy, remains a reliable partner for this year’s campaign.

“We are at the second edition of the financial education campaign. The first aimed to promote partnerships between the public sector, the associative sector, and the business environment in order to raise the level of knowledge of the population about personal financial management and saving mechanisms. In this campaign we set out to focus on strengthening the level of culture and financial education, including the need for financial education to ensure personal success among children and young people aged 7-18”, emphasized Laurentia FILIPSCHI, Executive Director, Junior Achievement Moldova.

“By investing in children today, we will build a strong and sustainable economic future. For example, it is wrong to perceive the process of education as an individual thing. This is rather a systemic vector. Therefore, although the campaign is primarily aimed at pupils and students, it also targets the general public: parents, grandparents, guardianships, media, state institutions and regulators, civil society, relevant NGOs as well as the business community. For this reason, we support, as partners, the development of such projects, that are meant to bring benefits to everyone”, said Mila MALAIRĂU, AMCHAM Executive Director.





Laurentia FILIPSCHI
Executive Director, Junior Achievement
Moldova



Violina VARTA
Deputy Director, Agency for Consumer
Protection and Market Surveillance



Lilia POGOLȘA
Minister of Education, Culture and
Research of the Republic of Moldova



Lilian GUZUN
CEO Iute Credit Moldova

Iute Credit Moldova, which provides financial support to the campaign, believes that now, more than ever, students need to have access to digital educational materials.

"Social responsibility is at the heart of our corporate values. We are confident that this project will provide a blended learning process in finance and entrepreneurship, will reduce costs in the future, will allow for constant review and updating of programs, when necessary, and at the same time will improve the experience of young people. Access to technology will allow an easier delivery of teaching materials, regardless of the area or state in which students are, which has proved to be indispensable, especially in the situation caused by the COVID-19 pandemic", said Lilian GUZUN, CEO Iute Credit Moldova.



Mila MALAIRĂU
Executive Director, AMCHAM

The national campaign "A Financially Smart Generation" plans to provide a series of tools designed to train children aged 7-18 in the financial field, including creating and distributing a series of animated videos on financial topics, interviews with adolescents, specialists recommendations for parents on how to educate their children so that they have a positive behavior regarding money management, and last but not least the digitization of the high school program "My Finances" developed by the Ministry of Education, Culture and Research of the Republic of Moldova in partnership with Junior Achievement Moldova and with the support of USAID, thus this teaching material will become accessible by using a smartphone / laptop / PC / tablet.

NEXT
NEW CAMPAIGN, NEW METHODS:
CARTOON CREATED IN DOODLE



Episode 1

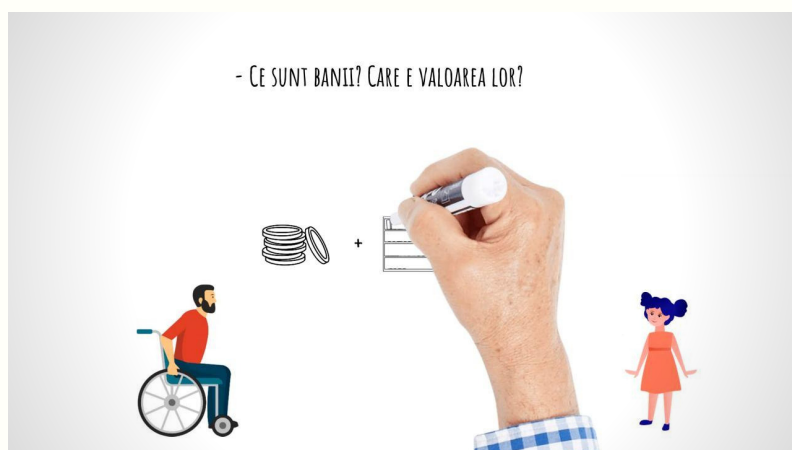
About money

In the first episode, Emily, a 7-year-old girl, received a piggy bank from her father and asked her uncle Matei, a banker, how to better manage her savings. Emily learns from her uncle about the history of money, the origin of barter, and salary. She also finds out that money can not be only in the form of banknotes and coins, but also on a card and on a bank account. Emily also learns that the advantage of keeping money in her wallet is that she always has it at her disposal.

Episode 2

About how we earn money

In the second episode, Emily has spent a part of the saved money and bought herself a painting kit. She was curious on how to make more money and save and asked her uncle about it. Besides answering her question, uncle Matei tells her niece about the way adults make money by having to sell their time and skills in exchange for a paycheck and the fact that money is made to circulate. Uncle Matei advised Emily to rationalize her spending and concentrate on bigger goals and abstain from little immediate pleasures. He also told her that if she doesn't want this, she has to find ways to obtain additional income. Emily has come up with some brilliant ideas. She is happy!



Episode 3

About how we spend and save money

In the third episode, the audience learns about the fact that Emily also earned some money for her piggy bank from the Easter fair, organized at the school, where she sold original postcards created by herself. Also, she has painted a picture for her uncle and she is helping her neighbors in her free time. All these activities have helped her add some money to her piggy bank. Now she is thinking about how to manage her savings better. Emily learns what a budget is and how adults manage to distribute their income efficiently.



Lilian Guzun: Business must be involved in social projects. Cooperation cannot fail

"Jurnal saptamanal" column at Europa Libera



Born on September 27, 1977, in Novosibirsk, Russia. He spent part of his childhood in the village of Antonovca, Cantemir, from where he later moved with his parents to Chisinau. Is a graduate of the Academy of Economic Studies; holds a Master's degree in Finance. In 2009-2011 he graduated in Commercial Banking, ABA Stonier Graduate School of Banking, Pennsylvania University. For the past fifteen years, he has worked in the financial field in over 25 countries, including Mexico, Georgia, Pakistan and Indonesia. He currently holds the position of CEO in the non-bank credit organization "Iute Credit".

MONDAY

I woke up at six, as I've been doing it for years, every day of the week. The first thing "on the list", since, as it is known, any manager or CEO has a list, how not to? is to enter my daughter's room and kiss her on the forehead.

As a rule, she sleeps deeply and does not realize when I enter or leave the room.

But this time, probably because I was slightly unshaven, she just flinched a little and just as sweetly fell back to sleep. Afterwards, I made myself a large cup of tea, opened my laptop, and read the news. New cases of COVID, again dead people, again frightening figures. We try to adapt, as much as we can in all respects, to the new abnormal "normality".

I'm leaving the house early. I usually get to the office among the first. I do this because I want to set a good example for my co-workers. Although I like it enormously and I can hardly imagine my life without it, I listen to music, with small exceptions, only when I drive. Unfortunately, I don't have much free time, I would say not at all, and the one that I still have I try to dedicate to my family and loved ones. Sometimes I feel guilty. It is the greatest sacrifice. Anyway, today I had Queen on the playlist. Freddie's voice can charge you with enough energy that can last for another ten Mondays.

When I get to the office, I make myself another cup of tea and get to work. It's a huge cliché, I think from the American movies of the

2000s, that the days in an office are repetitive, boring, and that it turns you, as the Americans say into a pencil pusher. In fact, every day prepares something new for you, whether we are talking about faces, plans, and even projects.

In the evening, at home, I wrote a few more emails and made a few more phone calls, meaning that I had continued my activity in order to reach the 12-14 hours of work without which the success would go to others. Eventually, we all watched an animated film. Medea fell asleep, leaning her head toward my shoulder ... I had to carefully carry her in my arms, put her to bed, and cover her with the duvet. Good night, dear daughter...

TUESDAY

My mornings look the same. It is a routine that I have already gotten used to and have accepted for quite some time. It wasn't too hard either, it's a great joy to have the opportunity to do what I like. More importantly, I do it in the country I love and it manages to amaze me every day that goes by. And this happened after fate brought me to different places and made me work for 15 years on four continents and in 25 countries while working for an American company, more precisely for a financial holding company. I have noticed, especially lately, that Moldova is underrated, sometimes even underestimated by certain people who have no way to make some basic comparisons. When I returned home, I realized that in some matters we are superior to many countries in which I have worked for years.

There are many countries where there really are no roads.

There are many countries where a person is already considered middle class if he/she has a pair of shoes.

Last but not least, we have a very talented youth, who knows Russian, Romanian, English, French, Spanish. In most countries, the staff speaks one language, a maximum of two. Knowing three languages is already an asset. That is why many international companies open offices in Moldova because you can easily form a young and highly qualified team. Another problem is the mid-management and the top management of the company.

It is an area that needs investments! But obviously, we also have many defects ...

A simple retrospective, a simple affirmation, and here I am already behind the wheel of the car. This morning, the playlist "prepared" Nirvana for me. It was interesting to listen to Heart-Shaped Box and pass by the circus. When I was younger, with a few friends, we would take our guitars and play exactly Heart-Shaped Box, Lithium, or Smells Like Teen Spirit in the circus underground. Young and restless, with colorful hair that matched the hairstyle of our hard rock idols and, of course, earrings in the ears, to the chagrin of the parents. Of course, we had the guitar covers on the floor and we were even making some money, even if most people passed by, looking at us a little strangely. At the end of the day, we used to share the money equally and fairly. I can say, jokingly, for sure, that it was a first entrepreneurial activity. Each of us certainly has such experiences. It is important that the first money, the first business of ours, of our youth was related to something not only legal but also close to the soul, to something that inspires you and helps you find yourself. Anyhow, I also remembered one of the saddest days of my life, the day I found out that Kurt Cobain, a true idol of my generation, had died.

A few days a week I go to the gym, today is one of them, I will make sure to be careful and respect all the safety measures imposed on us by the new abnormal "normality".

I think that one can learn from any unpleasant event, and the pandemic has shown me this once again. Not only our company's team has learned a lot in the last year, but also our customers. Everyone has become much more responsible and more calculated, two very important values for me and to which I have strived and continue doing it throughout my maturity.

During the lunch break, I called my mother. Even though she knows it without me having to repeat it so many times, I had asked her to take care of her and my father and not to be exposed to the virus.

WEDNESDAY

It was an extraordinary morning. Instead of me entering Medea's room, she came in and nestled between us. Worried, I asked her if anything had happened. She told me that she came with no real reason.

It was the sweetest answer that I have ever heard... I am infinitely indebted to spring, because in this season I received a YES from my wife, so life took on more meaning and more colors.

On the way to work, while listening to 80's music, I planned my Wednesday. At the office, I have to talk to a lot of people, whether they are co-workers or business partners. I like to joke that, in this way, I "pay my debts" for a childhood accident, when, between the ages of 2 and 4, I was actually mute. Since then, I've been trying to make up for it.

I rarely watch movies for the same reason why I don't listen to music too often - lack of time.

However, today I watched once again *Once Upon a Time in America*, a great movie I care about, with Robert De Niro, James Woods, and Elizabeth McGovern. I also have a collection of movies that were released until the '90s that we watch especially during the winter holidays. Few know, for example, that the film "Moscow does not believe in tears" by director Vladimir Menshov, released in 1979, won the Oscar two years later, in 1981, for Best Foreign Language Film.



I appreciate the effort of the protagonist Ecaterina Tikhomirova, who through tenacity, superhuman effort managed to advance professionally and, subsequently, personally. These morning thoughts are irrelevant at first glance. In reality, however, they help me to be fair with my co-workers, with the whole team, because anywhere and anytime a good manager relies first and foremost on those who implement projects and carry the weight of the business on their shoulders.

THURSDAY

Today I succeeded and went through some materials from the project I started a few months ago, namely "A Financially Smart Generation".

I have always believed that it is important to learn how to manage money as accurately as possible, but also to be aware of its true value, and in today's digital age, when we have access to all kinds of tutorials

on YouTube or e-books, it is much easier to do it. The new generation has a great privilege that my generation did not have. If such a project had existed in my childhood or adolescence, I would certainly have saved a lot of time and learned a lot more.

My dearest "student" is Medea.

By using different methods, I try to teach her even now the value of money and how it can be acquired and spent correctly. Together, we read children's books that develop these skills. Just recently we reread together Spencer Johnson's book, *Who Moved My Cheese*, from which, I admit, I learned and updated some stuff. We also watched today the animated video *Learn about money's value/Know the meaning of money with Emi and Uncle Matei*. I hope that it was very informative for her and that she learned something new from it.

It is not the only social project we participate in and it's not the last. My belief is that businesses of any size must be involved in social projects, especially in the development of intelligence, in the multilateral training of Generation Z. Cooperation, involvement cannot fail.

FRIDAY

Even if in my case as well as in the case of most business people the working week does not end on Friday, anyway the biological clock is there and early in the morning you also think about ordinary, mundane things, such as getting home in the evening and relax a little with the lawnmower, tidying up the lawn after winter. It's already April, it's time to make the first corrections. This pandemic brought us down to earth not only figuratively, but also literally, so that a blade of grass, a blooming flower brings us comfort, a closeness to nature and roots. That's why I always tell my co-workers - take care not only of yourselves but also of your loved ones, of those close to you. Get vaccinated, protect yourself, that's the only way we can move forward without suffering colossal losses.

I remembered the grass season and the pandemic and I am already thinking that this summer we will go to Codrii Moldovei. Our company has several ways to stimulate employees, one of which is "Visit the world".

Once a year, twenty percent of our team who are the best in that year have the opportunity to choose a certain destination and go to that country for a few days. We dedicate a day to visit a great international player from whom we want to learn. Thus, in 2019 we were in Barcelona, at the Amazon office. Two years ago we were in Germany at the Porsche office. And this year, due to the pandemic, we will rediscover our country and our native places, we will go to Codrii Moldovei where we will combine work with pleasure.

April 25 is fast approaching, it's the birthday of my goddess Medea. In Greek mythology, Medea means thought, intention. It is said that she was the founder of medicine. I think of a special gift for her, something to represent her, to help her better understand what is good and what is bad. Someone recommended the Dictionary of Famous Words, Expressions, Quotes. I think it's a good option and Medea will be happy!

AND NOW IT'S TIME FOR SOME FEATURES

Quotations of experts - a feature for social media

What is the right age for a child to know about "money"?

Psychologist Tatiana Turchina answers:

"Talking about money is the first step in developing financial skills. However, from knowing the term "money" to developing a financial behavior, it is necessary to go through a complex process.

Many adults feel that it is not appropriate to talk to children about money. At the same time, adults approach the subject of money in communicating with them, without being aware.



From the moment the child asks his parents: "Where are you going?" and receives the answer "At work", he is already introduced in this subject. Usually, the first question is followed by the second "Why?" and the most common answer is: "To make money and buy toys for you."

In other words, the child hears about money when he asks for something from his parents. Thus, the most common answer is: "I have no money", "When I have money", "Please ask for money from X / Y".

In such a tempo, we form a representation of the child about money, which is not necessarily a constructive one".

How parents should start the process of financial education of their children

Professor of economic subjects Andrei Zapsa answers:

"It was a joke on this topic, which I really like. A child approaches his father and asks him what the taxes are. The father tries a sophisticated explanation, by the book, and the child obviously does not understand. Then the father takes the child's chocolate and bites half of it. The child cried, but understood. Although it may seem hilarious, the explanation that was provided in such a way is not only illustrative, but also relevant to the situation.

I think it would be timely for parents to start their children's financial education from the introduction to an allowance system. It is good when children are accustomed, from an early age, with a limited nature of resources, but also familiar with a "paid" relationship, for example when they receive "wages" for work such as: mowing the lawn, caring for houseplants, washing dishes etc."



We are role models for children in everything, including the relationship with money

*Financial education is a necessity for both parents and children. In order to raise a more responsible, developed and financially independent generation, parents need to make an effort from the very first years of their children's lives. We asked **Laurentia Filipschi, Executive Director of Junior Achievement Moldova**, "How important is the financial education for children?"*

"It is important for children to become familiar with certain economic and financial principles, which will allow them to understand that they cannot have some things in the amount they would like to, that they cannot fulfill all their desires and that they have to choose or give up on something less valuable. Also, the amount of certain goods depends on certain circumstances, that money is not produced effortlessly and that effort means a lot of work, that certain resources are exhaustible and solutions must be found in this regard.

The optional subject Economic and Entrepreneurial Education, which can be studied even from the first grade is a first step in the direction of the formation of economic-financial thinking, of practical skills and economic-financial culture.



This subject is a pillar in the formation of positive attitudes towards the values of the natural and social environment, towards the community of which the students are part, helps them to identify and assess the consequences of personal, parents and authorities' decisions. Economic Education contributes to the formation of an autonomous and creative personality that will act efficiently and responsibly in a constantly changing society. Within this subject, children learn to analyze their behavior towards money and to build a relationship with money, a relationship that they can control and not the other way around.

Junior Achievement Moldova, is one of the partner organizations of the Ministry of Education, Culture and Research that promotes economic and entrepreneurial education and motivates children and young people to give priority to its study".

FINANCIAL EDUCATION IS ALREADY PART OF OUR EDUCATION SYSTEM

We have optional subjects and the teachers involved in their teaching are constantly working on improving the professional level and the necessary qualifications in that field. More details on this topic were provided by **the Main Consultant within the Ministry of Education, Culture and Research, Corina Lungu**:

- Entrepreneurial, civic and digital skills are among the most important skills needed by a young person. In education, optional subjects such as Economic and Entrepreneurial Education (primary, secondary and high

school) and Social and Financial Education (secondary) are studied, in order to educate young people that want to consciously improve their ability to carry out various practical activities related to economy.

- What place does financial training now occupy in our educational system and what activities are planned in order to increase the share of financial education for the next 3-5 years?

- The Ministry of Education, Culture and Research is open to

establishing partnerships in order to promote an economic and financial culture.

The initiatives are promoted, the support of the educational activities regarding the multiple aspects of the economic education: financial, fiscal, entrepreneurial, etc., these are meant to ensure the educational space in order to guarantee a familiarization of the students with the civic and social responsibilities".

The decisions we make depend, to a large extent, on the knowledge we have gained throughout our lives

It also applies to money. How we spend them, what products we choose, where and how we can save.

Violina Varta, Deputy Director of the Agency for Consumer Protection and Market Surveillance, points out that good financial education makes us smart consumers and, in this way, we can help our children make the right choice about spending:

"A rising economic development cannot take place without the active involvement of the consumer. A comprehensive, multilateral financial education, carried out on the basis of a complex program, will provide the consumer with solid knowledge in the financial field and will place him in a comfort zone, where he will be sure to make the right choice. In order to achieve the expected objectives, it is good for financial education to start as early as possible".



Generația Inteligenței Financiare va dezvolta copiilor anumite cunoștințe și abilități, precum:

1. Capacitatea de a analiza **relația cu banii și administrarea rațională a acestora**;
2. Abilitatea de a purta **o conversație despre finanțe**;
3. **O planificare bine gândită** a cheltuielilor în raport cu veniturile;
4. Conștientizarea „valorii” banilor și **delimitarea dintre nevoi și dorințe**;
5. Realizarea faptului că **viața merge în tandem cu banii** și, la un moment dat, vine timpul când apare necesitatea câștigului financiar.

VIOLINA VARTA
Directorul adjunct al Agenției pentru Protecția Consumatorilor și Supravegherea Pieței

The Financially Smart Generation campaign will develop certain knowledge and skills in children, such as:

1. Ability to analyze the relationship with money and its rational management;
2. Ability to have a conversation about finances;
3. A well thought out planning of expenses in relation to revenues;
4. Awareness of the "value" of money and the delimitation between needs and desires;
5. Realizing that life goes hand in hand with money and, at some point, the time comes when the need for financial gain arises.

Financial education is more than knowledge of affordable financial services

"It is a complete system of economic analysis that makes us freer, more conscious in our daily choice. Part of this responsibility rests with the business", says Mila Malairău, Executive Director of the American Chamber of Commerce in Moldova (AmCham Moldova):

"People that are educated from a financial point of view represent a guarantee of a prosperous and sustainable society in all its constituents: households, companies, public institutions. In this sense, financial education should not be interpreted *stricto sensu* - the conscious use of financial services, but should be extended to – the conscious and moderate skill development of consumption of goods and services, to protect and leave to future generations a friendly environment for the human development.

However, for businesses that essentially form consumer habits, in addition to the considerations of corporate social responsibility, it becomes vital to invest in educating the young generation, forming healthy consumer behaviors, thus ensuring a high degree of business competitiveness as well as its long-term continuity.



This model is successfully implemented in Western countries, but we are glad to see that it is gradually taken over by the business environment in the Republic of Moldova, and the development of partnerships with educational institutions and extracurricular activities are successful examples".

STAY CONNECTED



GENERAȚIA



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