

Dear Minister Bytyqi,

Dear Mr. Marco Mantovanelli, Director of the World Bank for Kosovo and North Macedonia,

Dear Mr. Patrick Etienne – Country Director, Swiss State Secretariat for Economic Affairs (SECO)

Dear Ms. Lori Michealson, representative of the US Embassy

Dear President of the Board Mr. Mrasori,

Dear representatives of financial institutions,

Dear students and teachers,

Dear representatives of media

Ladies and Gentlemen,

It is my pleasure to welcome you to this event marking the Global Money Week in the function of financial education, with our main affiliates, the Ministry of Education, the World Bank, the Swiss State Secretariat for Economic Affairs (SECO) and the European Fund for South East Europe, who I would like to take this opportunity to thank for the unreserved support to advance developments in the financial sector in Kosovo in general and financial education in particular.

This year, Global Money Week is especially important for two reasons:

Firstly, for the fact that with the activities that we will organize this week, we have brought the Republic of Kosovo to the attention of the international arena, where the activities that we will organize this week can be followed

internationally through "live streams" from central banks, regulators and international organizations dealing with financial education issues;

Secondly, for the fact already announced by the CBK that 2019 will be the year of consumer protection and the activities that we will organize in the field of financial education will be in the function of consumer protection.

In the present environment, where we are all witnessing the financial stability that Kosovo enjoys, placing Kosovo's financial system at a level that is comparable not only with the countries of the region but also those of the European Union, the financial education has occupied a specific place on our development agenda. Moreover, the financial services sector has a strong share in economic growth, job creation, building of vital infrastructure and sustainable development for Kosovo. Services and products of the financial sector affect the life of every citizen of Kosovo. Therefore, we are grateful, to all our associates, some of whom are here with us today, for the support they have provided to the Central Bank and other relevant institutions in building a financial market that treats consumers fairly, encourages financial involvement and helps citizens to make effective use of financial services.

One of CBK's strategic goals is to encourage the development of a sound financial system in the Republic of Kosovo and to further develop the financial education function with a view to creating a sound financial culture that helps all stakeholders to make the right decisions on the basis of sufficient knowledge. This knowledge can only be gained through adequate financial education, which is consequently transformed into financial behaviours. This would be the optimum reality that all of us present today aspire, but have we managed to accomplish it?

The Central Bank is developing the financial education in the function of three main dimensions:

- in the function of financial stability,
- in the function of consumer protection, and
- in the function of financial inclusion.

These three dimensions actually cover the whole process of financial activity, from the first confrontation with the financial product/service to the realization of the right/obligation in this report.

Financial education in the function of financial stability is built on the premise of mutual trust. Financial education is the core of trust building. Without trust there can be no financial stability. If we look from the social welfare point of view, it is very important whether the citizens are able to properly manage their finances. But on the other hand, the benefits of financial knowledge extend beyond the balance sheets and income at the individual or the household level to the promotion of a stable financial system and efficient resource allocation within the real economy.

Financial education in the function of consumer protection is an active process in which information communication is only the beginning, while the ultimate goal is a positive long-term financial behaviour. Customers' decisions on the use of products and services are made on the basis of complete and reliable information as well as on their understanding of this information, therefore the presentation of this information by financial institutions is critical. Moreover, such an approach leads to a fair competition of all stakeholders in the financial sector. The CBK is committed to contributing to economic growth in the country and to work towards raising quality across the financial sector and above all to contribute to consumer protection. As a result, with the support of the European Fund for Southeast Europe "EFSE", we will implement the

project "Improving the transparency of the banking market through building a platform for comparing interest rates for banks". This platform will enable citizens to make decisions based on complete and clear information, presented on a unified platform for all banks. This platform will also help increase a sound competition in the banking sector. Another important project is the Collection of Books for Financial Education designed for the lower cycle of primary schools, which in cooperation with the Ministry of Education will be distributed throughout all Kosovo schools. Kosovo students will have the opportunity to get familiarized with the economic-financial educational concepts that are important to be installed in early education.

The third dimension, the one on financial inclusion is a continuous process of advancing financial infrastructure in order to increase the availability of financial products and services at the lowest cost. Financial intermediation has advanced rapidly through the proliferation of financial services and products but only at the basic level. Building a financial market that treats consumers fairly encourages financial involvement and helps citizens to make effective use of financial services as the main premise of financial inclusion. Therefore CBK has orientated the financial education program in the function of financial inclusion in order to stimulate sufficient demand for a wide variety and wide range of services and products. Therefore, with the support of the World Bank and the Swiss State Secretariat for Economic Affairs (SECO), we have managed to design the "Greenback Project" targeting Remittances as a very important category of revenues in Kosovo, awareness of senders and receivers of remittances, so that the destination of this category of revenues is transformed from consumption to investment. In addition, the Remittance and Payments Program will help the CBK to further advance the payment system

infrastructure, in particular, the broader aspect and the cost-effectiveness of small payments.

All of us that are here today agree that through financial education we have managed to address many challenges within the three dimensions, but there is still work to be done. The financial system is constantly evolving towards expanding more complex financial products and services, so the financial education program should respond proactively to this new dimension. This proactivity imposes the need for the National Financial Education Strategy, for which I consider that now it is the time to start the dialogue. I consider that today's signing of the Agreement of Understanding between the Central Bank and the Ministry of Education will be a good start in this regard.

In conclusion, please allow me to thank the Ministry of Education, Science and Technology, the World Bank, the Swiss State Secretariat for Economic Affairs (SECO), the EFSE for the excellent cooperation in achieving the present results and all you representatives of other relevant institutions for the future cooperation.

Thank you very much!