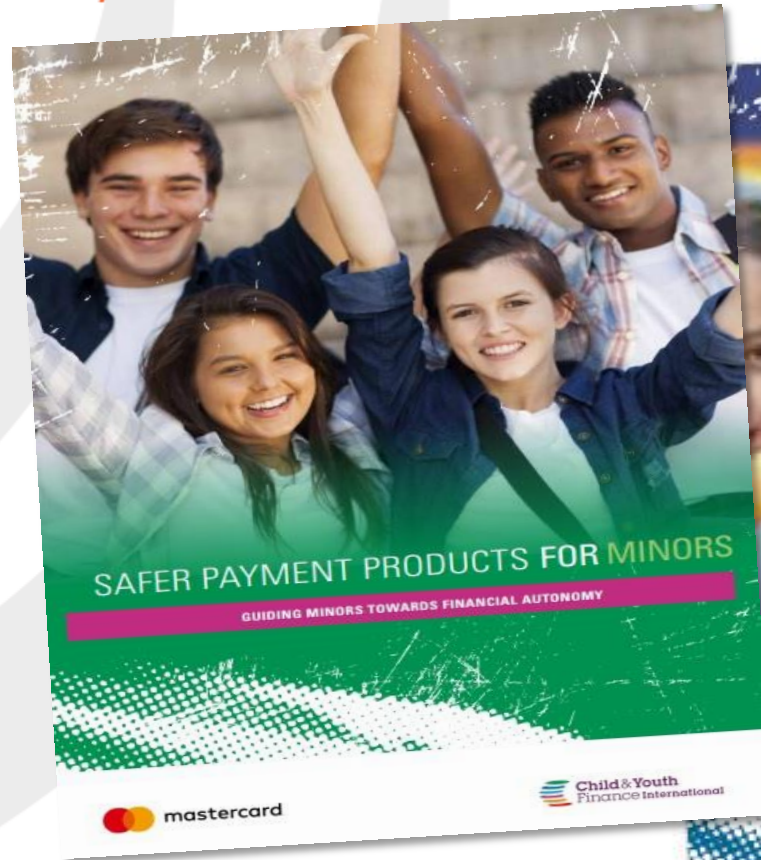


Safer Payment Products for Minors: Guiding Minors Towards Financial Autonomy



Purpose Of The Guide

Recommend practices for safe banking and payment products that:

- 1. Help decision makers and product owners understand responsibilities, needs and risks associated with minors**
- 2. Support the development of products that respect minors' rights whilst keeping them safe**
- 3. Integrate flexible product design, allowing parents to re-assess access provided, encouraging autonomy as capability and understanding grow**
- 4. Encourage and support an ongoing financial dialogue between parents and minors**
- 5. Advocate for an end objective of empowering minors to fully manage their own payment products and money**

10 Recommended Practices

1. **Restrict products and services inappropriate for minors**
2. **Promote responsible spending**
3. **Educate minors on how to use their payment card safely**
4. **Provide saving and payment facilities**
5. **Enable parents to choose payment types**
6. **Allow parents to set card restrictions**
7. **Provide parental access to spending behaviour**
8. **Protect minors and their privacy**
9. **Deliver appropriate marketing initiatives for both parent and minors**
10. **Provide financial education tools to help minors manage their money**

Swedbank

- ✓ **Practice 2:** Parents choose functionalities, mobile app encourages minors to regularly monitor budget and savings
- ✓ **Practice 3:** Warnings about the dangers of fraud and how to log-in safely
- ✓ **Practice 4:** An e-savings account can be added by parents to encourage saving
- ✓ **Practice 7:** Parents choose to track spending and which functions are accessible at any time
- ✓ **Practice 10:** Parents get information on good financial practices for minors and educational materials are available on website



nimbl



- ✓ **Parents:** nimbl offers parents a safe and secure environment to support their children in becoming financially confident and independent.
- ✓ **Children:** 'Learning by doing' helps children get the best experience, and nimbl allows children to build strong spending and saving habits whilst instilling financial lessons - which will last a life time



Guiding Minors Towards Financial & Digital Literacy – Success Factors & Challenges

- 1. Public - private partnerships – complementary assets and skill sets towards common purpose**
- 2. Product development supporting child rights & safety**
- 3. The role of parents – ongoing guidance, dialogue & joint reassessment**
- 4. Education – multiple players working together (bank, school, parents, finance & education ministries, etc)**
- 5. Fraud – ongoing awareness & education (ID, personal data, financial and digital risks)**

Where To With The Recommended Practices

1. **Make them known – inclusion & literacy events, social media, public platforms, respective networks**
2. **CYFI, Mastercard and the working group's networks to continue the dialogue and evolve the practices**
3. **Invite interested stakeholders to contact CYFI and Mastercard to continue dialogue bilaterally**
4. **CYFI to develop a repository of best in class practices for safe banking and payment products for minors**



Thank You

<http://newsroom.mastercard.com/>

<http://childfinanceinternational.org/cyfi/publications.html>

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