

## MEMORANDUM OF UNDERSTANDING

Between

THE ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

And

THE CENTER FOR LATIN AMERICAN MONETARY STUDIES

### I. Background

The Organisation for Economic Co-operation and Development (hereinafter referred to as the "OECD") brings together governments of countries committed to support sustainable economic growth, boost employment, raise living standards, maintain financial stability, assist other countries' economic development and contribute to growth in world trade.

The OECD has international leadership in the area of financial education through the promotion of international cooperation, development of standards and analysis, and conduct of country surveys since 2003. The OECD work on financial education is performed under the aegis of the OECD Committee on Financial Markets (CMF) and the Insurance and Private Pension Committee (IPPC). The output of the OECD work on financial education is addressed at OECD and non-OECD Members. Beginning in 2005, the OECD Council approved a set of Recommendations on Principles and Good Practices for Financial Education and Awareness which are addressed at OECD and non-OECD Members. The OECD has also established in 2008 the *International Network on Financial Education (INFE)*, to bring together high-level public officials from OECD and non-OECD Members to exchange information on financial education issues, develop data, analysis and relevant policy instruments (including related OECD Recommendations) and provide input in the development of OECD work. This network of 100 countries is supported by a secured website hosted on the OECD clearinghouse, the *International Gateway for Financial Education (www.financial-education.org)*.

The Center for Latin American Monetary Studies (hereinafter referred to by its acronym in Spanish, "CEMLA") is a regional association whose membership includes central banks from Latin American and Caribbean countries and several of the world's leading economies, and other organizations.

Since its inception in 1952, its main objective has been to enhance cooperation among its members in order to promote in the region a better knowledge of monetary, financial and economic issues in general. Over this period of 60 years, CEMLA has managed to establish an extensive network of contacts within its membership and with national and international organisations.

CEMLA holds activities in training (courses, workshops and seminars), research and publications, and grants technical assistance through its multi-year programs, which are financed with funds provided by partners such as the World Bank, the Inter-American Development Bank, and Non Governmental Organisations. In addition, CEMLA is in charge of the technical secretariat for meetings of governors and area specialists from member central banks. Also worth mentioning are the events held by CEMLA jointly with technical partners, such as the International Monetary Fund, the Bank for International Settlements, the US Federal Reserve, Banco de España and the Deutsche Bundesbank.

As a natural extension of its nature and objectives, CEMLA has embarked in the field of financial education through the design, organisation and implementation of regional meetings on the subject, bringing together representatives from a wide variety of national and international organisations.

Both Parties recognise that:

- financial awareness and education of individuals, and society as a whole, is of utmost importance and that continuing improvement of financial education policy and strategy is needed to develop effective and efficient financial education programmes.
- the need for financial education will continue to evolve with the increasing number and complexity of financial products and the continuing shift of financial risks to individuals.
- it is important to improve financial inclusion and access to financial services of the population and especially vulnerable groups.
- financial education and awareness initiatives can enhance the activities of individuals to improve their financial well-being, make a positive contribution to economic growth and development, and contribute to the stability of financial markets.

CEMLA and the OECD began their collaboration through the organisation of regional conferences on financial education: in Peru (2010), Paraguay (2011) and in Suriname (2012). Initial collaboration involved inputs by the OECD into CEMLA events, and evolved into joint organisation where CEMLA and the OECD have been co-drafting the content and format of conferences.

The success of these events, which have proven to advance the policy dialogue on financial education in the region, as well as the feedback from CEMLA members and the increasing interest in this area expressed by policy makers and central banks in Latin America and the Caribbean, have led to development of a more formal relationship and co-operation.

In light of the above, the Parties have agreed to the present Memorandum of Understanding (hereinafter referred to as the "MOU") as follows:

## **II. Purpose**

This MOU establishes a framework for cooperation between the Parties in order to promote financial education, awareness and inclusion in Latin America and the Caribbean.

Activities conducted under this MOU are subject to their inclusion in the Parties' respective programmes of work and budget and to the availability of funds. They shall be carried out in accordance with their respective rules and practices.

## **III. Areas and forms of cooperation**

### **1. Priority co-operative activities**

The Parties agree that the cooperation will initially focus on the following priorities, which will be further detailed in the framework of the annual meeting mentioned in Article V:

- The exchange of financial education material and related good practices, and the sharing of international best practices on financial education and inclusion.
- The development of dedicated joint research to support the launching of specific financial education or financial inclusion programmes in Latin America and the Caribbean.
- The sharing of advice and guidance by the OECD with CEMLA and its member institutions, for the launching of pilot programmes relative to financial education and inclusion. Those will include financial education programmes in schools, the measurement of financial literacy, the evaluation of financial education programmes and the setting up of national strategies.

## 2. Additional co-operative activities

The Parties may also agree to:

- co-organise conferences and possibly dedicated seminars on financial education, awareness and inclusion in Latin America and the Caribbean (the “Events”). The Parties will cooperate in preparing the draft agenda, format and logistics for the Events, and choosing speakers and experts. The OECD and CEMLA will make their expertise available as necessary for the Events, while CEMLA will manage the logistics and hosting of the Events in co-operation with the central bank in charge of hosting the annual CEMLA conference.
- create regional informal discussion groups on financial education in Latin America and the Caribbean.
- explore possibilities for the OECD to share its expertise on financial education issues of interest with the central bank in charge of hosting the annual CEMLA conference.
- carry out the following joint work in interested members of CEMLA:
  - (i) evaluating initiatives against the set of existing OECD Recommendations and OECD/INFE Policy Instruments on financial education and awareness focusing on Latin American and Caribbean challenges and specificities; and
  - (ii) evaluating areas where the set of existing OECD Recommendations and OECD/INFE Policy Instruments on financial education and awareness, may be adapted to reflect specific realities of Latin American and Caribbean economies.
- develop joint surveys and publish them where appropriate.

## IV. Funding

Each Party shall be responsible for its own costs arising from the implementation of this MOU unless specifically agreed otherwise. CEMLA will manage and cover the expenses related to the logistics and hosting of the Events in collaboration with the central bank in charge of hosting the annual CEMLA conference. Notwithstanding anything to the contrary in this MOU, the Parties may agree in writing on funding and financial agreements in relation to any project under a specific area of co-operation.

## V. Modalities of Co-operation

The Parties agree to set up a consultative mechanism involving *inter alia* an annual meeting (possibly through remote device such as video or phone conference) to update and define the policy priorities, plan activities, assess the results of the ongoing co-operation, agree on funding arrangements and address any related issues.

## VI. Intellectual Property

The Parties recognise the importance of protecting and respecting intellectual property rights. This MOU does not grant the right to use materials belonging to, or created by, either Party outside the framework of the collaborative activities contemplated by this MOU.

Intellectual property rights arising from the work carried out under this MOU will be jointly held by the Parties. Each of the Parties may use and reproduce this work separately, subject to an appropriate acknowledgement of the other Party's contribution to the work and provided that each Party will seek the written consent of the other before granting any license to a third party. Without prejudice to the above, any joint publication will be subject to a separate written agreement by the Parties.

## **VII. Disclosure**

The Parties may disclose this MOU in accordance with their respective relevant policies.

Any sharing of confidential information between the Parties will be subject to their respective policies and procedures relating to the disclosure of confidential information.

## **VIII. Responsibility**

Each Party will be responsible for its activities and for its staff members, including for their acts and omissions.

In particular, a Party will not be liable for any damage or injury to any of the other Party's staff. Each Party ("the First Party") will hold the other Party and its staff harmless from any claim or damages, however caused, arising in connection with the activities carried out by the First Party or its staff.

## **IX. Duration, modification and termination**

This MOU shall enter into force on the date of signature for a period of four years. Either Party may terminate the MOU by written notification to the other Party. Termination shall take effect six months after the date of receipt of the written notification. In the event of termination of the MOU, any cost-sharing agreements may also be terminated in accordance with the termination provision contained in such agreements. In such case, the Parties shall take the necessary steps to ensure that the activities carried out under the MOU, and the cost-sharing agreements are brought to a prompt and orderly conclusion.

This MOU may be modified by the Parties at any time by written mutual agreement.

## **X. Dispute**

Any dispute, controversy or claim arising out of or relating to the interpretation, application or performance of this MOU, including its existence, validity or termination, which cannot be settled amicably, shall be settled by final and binding arbitration in accordance with the Permanent Court of Arbitration Optional Rules for Arbitration involving International Organisations and private parties, as in effect on the date of this MOU. The number of arbitrators shall be one. The arbitrator shall be chosen by agreement between the OECD and CEMLA, or failing such agreement within three months following the request for arbitration, the arbitrator shall be appointed in accordance with the aforementioned Rules at the request of either Party. The arbitration shall take place in Paris, France and all proceedings and submissions shall be in the English language.

## **XI. Status of the OECD**

The OECD, its officials and experts shall enjoy privileges and immunities comparable to those provided for in the Convention on the Privileges and Immunities of the United Nations of 13 February 1946.

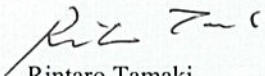
## **XII. Contact points**

The Contact points for this MOU are for:

- CEMLA: Fernando Sánchez Cuadros, Manager for Technical Meetings
- OECD: the Financial Affairs Division in the Directorate for Financial and Enterprise Affairs

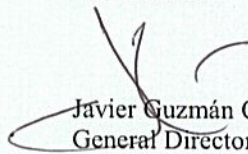
Done in Paris  
On 29 November 2012

For the OECD



Rintaro Tamaki  
Deputy Secretary-General

For CEMLA



Javier Guzmán Calafell  
General Director