AT Competency Framework on financial literacy for children and youth

Certain color-coded descriptions within the topics of the competence framework correspond/refer to specific areas:

Blue: Addressing digital finance and the digital provision of financial information, education and advice
Purple: Associated with entrepreneurship
Orange: Covering social and governance aspects
Green: Related to sustainable financial decisions

Content Area 1: Money and Transactions

<table>
<tr><th rowspan="2">Topic</th><th colspan="3">Age groups</th></tr>
<tr><th>Age group 1
(6 to 10 years old)</th><th>Age group 2
(11 to 15 years old)</th><th>Age group 3
(16 to 18 years old)</th></tr>
<tr><td rowspan="3">1.1 Money and Currencies</td><td>Forms of money

1. Knows that money can take different forms, including banknotes, coins and electronic money
2. Distinguishes and can name banknotes and coins used in one’s country or region
3. Confident to discuss everyday money matters with family and other trusted persons in real life situations</td><td>4. Evaluates the characteristics and risks of different forms of money (including money and currencies with or without legal tender, in traditional or electronic form, etc.)</td><td></td></tr>
<tr><td>Role/purposes of money

5. Can use money to store and measure value as well as to pay for goods and services
6. Appreciates the value of money</td><td></td><td></td></tr>
<tr><td>Storing and accessing money</td><td></td><td></td></tr>
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	7. Understands that money can be stored in different ways (at home, in a bank, etc.) and can be accessed in different ways (from ATMs, electronically, etc.)	8. Knows how to withdraw cash from an ATM	9. Chooses best ways of storing and accessing money based on considerations of safety and cost
	Handling money 10. Realises that people have limited amounts of money at their disposal 11. Understands that giving money or donating is different from lending money		12. Can explain why there are limits to the amount of money that can be withdrawn or transferred (e.g. security reasons, anti-money laundering)
	Foreign currency and exchange 13. Understands that countries and regions (e.g. Eurozone) have their own currency that can be exchanged for the currency of other countries	14. Can calculate the amount of foreign currency applying the exchange rate 15. Knows what type of financial service providers can offer currency exchange services	16. Exchanges currencies taking into account exchange costs and risks 17. Aware that fluctuations in relative value of currencies can impact purchasing power, savings and debt 18. Compares costs related to currency exchange between different providers (including with the use of reliable currency converter tools)

1.2 Income	**Income sources and levels** 19. Knows that there are different sources and forms of income 20. Understands that income differences exist between people	21. Understands the characteristics and expected income levels of different jobs and career paths, including self-employment/entrepreneurship, to make first career choice with confidence 22. Realises that in some countries people have the right to a minimum wage when working 23. Identifies different sources of income (e.g. income from work, financial income, rent, social benefits, profits from business, etc.) and understands that some sources may not be legal	24. Understands what income tax is and how it is applied to income (the difference between gross and net income) 25. Aware of the basic legislation concerning employment wages and other income and confident to seek legal assistance when treated unfairly. 26. Confident to discuss wage when applying for a job 27. Considers the expected level of income when making a career choice or pursuing a business idea and is motivated to make choices/plans to achieve the income one expects to have in the future 28. Realises that the state intervenes in various ways on individual income (with taxes, subsidies and social benefits)
	Income needs 29. Realises that income contributes to financial well-being of oneself, one's family and the community	30. Understands that different people may have different income needs and that these can change throughout the course of life due to various factors (e.g. different needs according to life stages, family needs, unforeseen events etc.) 31. Understands the benefits of having higher education in terms of job opportunities and future income	32. Makes an estimate of one's future income needs, including the income needed for higher education and/or training 33. Willing to take steps to obtain or increase own income if needed (e.g. takes occasional/summer jobs, etc.) 34. Starts to plan one's future educational/training/occupational path to ensure an income throughout life

1.3 Prices, Purchases and Payments	**Prices** 35. Differentiates between the price and value of a good or service 36. Compares similar products according to prices and understands that a product/service can be overpriced 37. Lists prices of basic items, including food	38. Aware that prices of goods and services can increase over time (inflation) 39. Understands that there is a difference between wholesale and retail prices, between producer prices and consumer prices, and between price per unit and total price 40. Knows that certain goods are public (for e.g. the public park) and knows that the cost is borne by the community 41. Considers criteria other than price when choosing a product (including quality, terms and conditions, environmental, social and governance considerations, etc.) while taking into account personal income situation and other circumstances 42. Uses mental arithmetic to estimate the final price of a good or service (including discounts)	43. Analyses factors that may be reflected in the final price of a good/service (competition, supply and demand, quality, innovation, advertising, taxes etc.), while being aware of externalities not reflected in the final price (environmental / social shortcomings, etc.) 44. Confident to negotiate a fair price, when this is possible and appropriate
	Purchases 45. Understands that once one spends money to purchase a good/service, it is no longer	50. Aware that some products/services are bundled	56. Motivated to act in a fair and honest manner when considering a purchase and avoid contributing to informal economic activities

	available to spend on something else 46. Differentiates between needs and wants before planning a purchase 47. Resists temptation to spend impulsively 48. Checks that change and receipts are correct, and is confident to speak up if this is not the case 49. Considers recycling or re-using existing goods before considering a new purchase	51. Considers that the use of some products/services entails additional costs (e.g. maintenance or usage costs) 52. Lists and prioritises spending preferences 53. Compares the pros and cons of buying from different shops and channels (including online shopping on safe websites) 54. Confident to refuse offers of products/services that are not needed, not wanted or unsatisfactory (e.g., intrusive pop-ups or online ads, influencers, social pressure, etc.) 55. Realises that companies that offer something for 'free' ultimately obtain income through other means.	e.g. avoids counterfeit products, asks for a bill/receipt when making a purchase. 57. Uses reliable online comparison tools, when available, that compare price, quality, terms and conditions of goods and services 58. Considers both short and long-term factors when making spending decisions (income constraints, family needs, contingencies, environmental, social, ethical considerations) 59. Seeks to learn more about the origin, production conditions, environmental and social impacts of a good or service, as well as the governance performance of the company offering it 60. Takes into account how inflation can impact the cost of goods and services, and purchasing power
	Payment Methods and Transferring Money 61. Aware of different methods for paying and transferring money (e.g., cash, digital payments, in-game purchases) available in the country for this age group		62. Can use digital methods to pay for a good/service or transfer money in a safe way (such as with a phone) and analyses potential risks and costs 63. Confident to handle simple transactions within an enterprise such as a shop or market stall (family business / occasional job)

1.4 Financial records and contracts	**Financial records and contracts**	64. Understands the main elements of a payslip 65. Understands that certain financial documents and contracts that have legal implications, should be read carefully before signing and kept 66. Understands that signing a contract in paper or digitally may make one legally obliged to pay and failing to do so may have negative consequences 67. Understands that people need to reach a certain age to be legally able to sign a contract, start working or to create a company	68. Saves receipts and other relevant important financial documents (warranty certificates, payment overviews, payslips, bills, receipts etc.) on paper or digitally and can retrieve them 69. Completes financial forms carefully and accurately 70. Aware of importance of regularly reading documents from financial institutions and inquires in case of mistakes

Content Area 2: Planning and Managing Finances

Topic	Age groups		
	Age group 1 (6 to 10 years old)	**Age group 2 (11 to 15 years old)**	**Age group 3 (16 to 18 years old)**
2.1 Budgeting/ Planning	**Drawing up a budget** 71. Understands the concept of a budget and living within one's own means	72. Draws up and adjusts a personal or household budget to meet short-term and long-term objectives 73. Can draw up a simple budget for a small business or project (entrepreneurs)	74. Uses simple, reliable budgeting tools from impartial providers, including mobile apps, programs
2.2 Managing and Planning Income and Expenditure	**Monitoring and managing regular income and expenses** 75. Considers different spending options for pocket money, gifts and other income 76. Understands the need to prioritise certain expenses especially when income is limited	77. Distinguishes between regular and irregular income, and between expected and unexpected expenses 78. Monitors and actively manages income and expenses 79. Differentiates between personal and family/household finances 80. Considers that family, community and socio-cultural aspects often play	81. Confident in planning and monitoring one's own expenses taking into account expected and actual income 82. Manages personal, household and business finances separately when applicable 83. Pays bills and complies with other financial obligations on time to avoid late

		a role in drawing up a budget and managing money, including for charity purposes	payment penalties and other negative consequences
	Managing irregular and unexpected income and expenses	84. Makes informed decisions about the use of exceptional income received such as gifts, unexpected pocket money, etc	85. Puts aside funds to pay for irregular/unexpected expenses (e.g. emergency savings) 86. Actively seeks ways of adjusting income or expenditure as necessary, when confronted with unexpected expenses and income fluctuations
2.3 Saving	**Saving goals and priorities** 87. Knows the benefits of starting to save and having saving goals from a young age 88. Develops the habit of saving some of one's pocket money or other income received	89. Identifies realistic and specific saving goal(s) and draws up a plan to achieve them 90. Prioritises saving for a goal over discretionary spending	91. Can monitor the implementation of one's own financial/savings plan to detect possible gaps between goals and outcome and takes action to reach one's goals
	Factors influencing savings 92. Understands that saving money in a bank or other financial institution can bring interest	93. Understands the relationship between inflation, interest rates (nominal/real) and savings), costs	

		for the saving product offered by the bank or other financial institution 94. Differentiates between simple and compound interest	95. Able to take into account the level of inflation and interest rates when making saving decisions
	Choosing how to save 96. Understands that money can be saved physically (e.g., at home) or in a deposit account at a financial institution	97. Knows about different saving options and that they might differ in terms of protection, time horizon and expected return, as well as in terms of environmental and social impacts.	98. Confident in choosing suitable saving products 99. Compares and chooses different saving options based on their characteristics (interest rates, fees, taxes, withdrawal policy, including where available environmental, social and corporate governance aspects), also using reliable and impartial comparison tools
	Managing savings **100.** Monitors savings to eventually fulfill the savings goal determined before	101. Monitors savings and makes adjustments if necessary 102. Aware of reliable digital tools for savings	103. Recognises and uses reliable and impartial digital tools to manage saving products

2.4 Investing	**Basics of investing** 104. Understands the goals of investing, and that it is different from saving	105. Understands what a stock exchange is and in general what capital markets are and can identify investment products (shares, bonds, investment funds) and their potentially corresponding sustainable characteristics. 106. Is aware of the risks of investing	107. Can calculate the return on investment 108. Can access impartial information on investments (including via reliable digital tools) 109. Regularly monitors any investments held 110. Understands the implications of being a shareholder, a bondholder or an investor in a fund
	Choosing investments	111. Aware that past performance of an investment does not predict future performance, and that the value of an investment can be influenced by several factors (e.g. macroeconomic and investment-specific factors)	112. Able to make investing decisions based on one's own investment profile, risk tolerance and sustainability preferences 113. Understands the differences, main (sustainable) characteristics, tax treatment, risks and fees of different assets including shares, bonds, investment funds, commodities and real estate 114. Aware that different types of investment providers give different services and charge different fees

	Crypto-assets and recent digital developments	115. Understands the concept of gamification and its impact on investment decisions	116. Aware that crypto-assets can be very risky (high volatility), can be traded in a risky manner and certain crypto-assets may not be regulated 117. Takes into account gamification features when investing through trading platforms and apps

	Sustainable Investment	118. Aware that some investments can have sustainability aspects	119. Understands the concept of ESG and its three dimensions (environment, social and governance) and is aware of labels, which makes it easier for investors to identify sustainable financial products 120. Understands the concept of double materiality (European Sustainability Reporting Standards) of an investment 121. Considers investments in accordance with one's sustainability preferences 122. Aware that investments can be made to have an (ESG) impact 123. Aware that sustainability investments can have the same performance as traditional investments (within the same risk category)

2.5 Retirement and Pensions	**Retirement and pensions** 124. Understands the purpose of pensions to provide an income in retirement	125. Identifies the reasons why it is important to start saving for retirement from a young age	126. Makes plans for saving actively for retirement from a young age to ensure an adequate retirement income 127. Understands and compares the main characteristics, funding sources, risks and types of benefits of public and private pensions (including occupational and personal pensions)
2.6 Credit	**Borrowing and lending money** 128. Differentiates between borrowing (from family, friends or banks) and lending money	129. Aware of the advantages, disadvantages and risks of borrowing and lending 130. Understands that a commitment to repay a loan must be honored on time and there may be consequences for not doing so 131. Knows that borrowing costs money (e.g. interest rate, loan fees) and the total level of debt incurred must be sustainable over time	132. Considers when it may be more appropriate to take credit rather than waiting and saving up, or vice versa 133. Considers risks, costs and potential benefits when borrowing money
	Taking credit 134. Grasps the concept of loan	135. Aware of different types of credit (e.g., overdrafts, credit cards, consumer loans, student loans, mortgages, etc.) 136. Aware that payment schemes like “buy now, pay later” are a form of credit and may have a high cost	137. Distinguishes between loans with fixed and variable interest rates, and between interest cost and the total cost of a loan

			138. Understands the consequences of defaulting on a credit (such as foreclosure and goods repossession) and the risk of over-indebtedness 139. Can calculate the impact of interest rates variations on loan repayment 140. Motivated to keep a positive bank balance (to avoid overdraft) due to being aware of the negative side effects 141. Motivated to look for and compare credit offers, when necessary (e.g. student loans), based on relevant criteria, including via reliable digital tools 142. Motivated to enquire about sustainable debt instruments 143. Understands that access to credit and credit conditions depend on the applicant's creditworthiness (including credit scores, where available) due to past spending behaviour 144. Aware that sometimes a guarantor or a collateral is requested in order to grant a credit and limit the risks in the event of default 145. Confident to seek help at appropriate institutions when one faces financial difficulties or becomes over-indebted 146. Confident to borrow after assessing costs and risks for personal projects or starting a business

Content Area 3: Risk and Reward

Topic	Age groups		
	Age group 1 (6 to 10 years old)	**Age group 2 (11 to 15 years old)**	**Age group 3 (16 to 18 years old)**
3.1 Identifying Risk and Reward	**General concept of risk, sources of risk and its impact on personal finance** 147. Identifies different types and sources of risks (e.g. financial, economic, environmental, health, technology) 148. Understands that some life events (i.e. job or business loss, illness, changes in family composition) and decisions can have negative financial consequences for family finances	149. Considers the potential impact on personal finance of life events and macro-events (war, inflation, political instability)	Motivated to seek information from reliable sources in order to assess risk and reward 150. Can classify the acquired information and make financial decisions based on it
3.2 Relationship between Financial Risk and Reward	**Financial risk**	151. Understands the concept of financial risk and the expected reward for taking such risk 152. Is aware of one's own financial risk tolerance, that it can change over time, and of its importance when making financial decisions	

		153. Realises that some financial products are risky because of their features and investing in such products can result in the loss of money (or may even be fraudulent)	
	Relationship between financial risk and reward	154. Relates the level of reward to financial risk taken 155. Understands that investment opportunities promising high returns are necessarily riskier	156. Takes financial decisions in line with one's own risk tolerance, risk and reward characteristics of a financial product/service and exercises caution over high reward financial promises 157. Is cautious in investing in risky financial products and services that may not be regulated (such as some crypto-assets)
3.3 Insurance and Managing Financial Risk	**Choosing insurance** 158. Understands the concept of insurance and how it works	159. Can distinguish between the different types of public and private insurance (car insurance, health insurance, travel insurance, natural disaster insurance etc.) 160. Realises that cost of insurance will be higher when risk is higher	161. Understands and can compare different ways to increase one's financial resilience (e.g. buying insurance, keeping sufficient precautionary savings or access to emergency funds) 162. Chooses between different insurance products based on relevant criteria (e.g. type of insurance, costs, ESG factors) and provides complete and accurate information when applying for insurance 163. Analyses the proposed insurance coverage when taking an insurance

			164. Aware of available reliable digital tools to compare and make decisions on insurance products. 165. Understands when mandatory insurance needs to be taken by oneself or by a third party (e.g. one’s employer) 166. Takes into account the conditions and coverage of insurance that would apply when applying for a job (e.g. for summer job) 167. Understands the concepts of policy premium and insurance claim
	Managing financial risk	168. Aware that there are different ways of managing financial risk	169. Compares different ways to reduce financial risk (e.g. diversification) 170. Reduces or mitigates financial risk when possible

Content Area 4: Financial landscape

Topic	Age groups		
	Age group 1 (6 to 10 years old)	**Age group 2 (11 to 15 years old)**	**Age group 3 (16 to 18 years old)**
4.1. Financial Products, Services and Providers	**Overview of financial products, services and providers** 167. Can distinguish the main products/services offered by financial institutions (e.g. bank accounts, loans, insurance products, etc.)	168. Can distinguish the main types of financial institutions (e.g. banks, insurance companies, etc.) 169. Aware that most financial service providers are regulated 170. Understands that some financial products and services may not be regulated/supervised or may be offered illegally 171. Knows the benefits of comparing financial products and services from different providers 172. Aware of the availability of sustainable financial products 173. Motivated to enquire about sustainable financial products	174. Confident to shop around for financial products, including by using reliable (online) comparison tools, where available 175. Can describe the roles and functions of the main types of financial institutions 176. Can describe the difference between a standard and a sustainable financial product 177. Knows that some financial service providers have an obligation to provide certain types of services, such as basic bank accounts, and is motivated to use such services if needed 178. Aware that funds deposited on a bank account up to 100,000 EUR per person and per bank are protected under the deposit guarantee scheme in the EU (not applicable if money is lost due to risky investments)

			179. Distinguishes if a financial service provider, whether operating physically or digitally, is regulated by national competent authorities or not
4.2 Consumer Protection	**Consumer Protection** 180. Aware that consumers have rights that are protected by law	181. Understands that consumers are protected by consumer protection rules when they buy financial services or products including via digital channels	182. Identifies relevant oversight bodies (such as financial regulatory and/or supervisory authorities) in one's country and the channels they use to communicate, and understands their main role
4.3 Rights and Responsibilities	**Consumers' rights and responsibilities** 183. Aware that consumers have rights and responsibilities	184. Can give examples of basic rights of a consumer (e.g. related to price disclosure, returns, withdrawal, complaint, redress, etc.) 185. Can give examples of basic responsibilities of a consumer (e.g. repaying debt, providing relevant information to financial service providers, etc.) 186. Understands that there can be negative consequences for consumers who do not meet their responsibilities (e.g. failure to repay a loan can lead to fees, higher costs of credit and restricted access to credit in the future, etc.)	187. Can exercise basic rights as a consumer of financial products and services 188. Confident to file a complaint and seek redress from relevant entities (financial provider, relevant public authorities, or alternative dispute resolution bodies, etc.) in case of any problems with financial service providers 189. Motivated to look for information on consumer complaints, supervisory warnings, or enforcement actions taken against a particular financial service provider

	Financial services providers' responsibilities		190. Aware that financial service providers have responsibilities (e.g. disclosure, transparency, due diligence, etc.) and that not meeting them may have negative consequences for consumers
	Personal data protection 191. Gives examples of basic personal data	192. Aware of the concept of identity theft, and that personal data, including with financial implications, should be protected and shared with caution 193. Aware that consumers of financial services enjoy rights with respect to their personal data and that they have discretionary control over it 194. Understands the financial consequences and risks of disclosing personal financial data, such as account information whether digitally or through other channels 195. Protects one's own personal data/information in a financial context, including when navigating online	196. Aware of the existence of national authorities in charge of data protection and of their role 197. Understands why financial providers use personal data (for e.g. personalisation of financial offers, tracking behaviours etc.)

4.4 Scams and Fraud	**Common types of scams and fraud, and means of protection** 198. Explains why simple security features such as passwords, face ID, fingerprint and PIN codes are important (i.e to protect oneself and avoid being victim of online fraud/scam)	199. Can identify common financial scams and frauds (such as shoulder surfing, spyware, phishing, pharming, etc.) and the means to safeguard against these 200. Can identify warning signs ("red flags") of fraud (such as offers "too good to be true", "risk-free" investment opportunities, pressure to buy right now, etc.) 201. Confident to apply basic safety procedures online (for e.g. keep personal data and passwords safe, use strong and different passwords, regularly update passwords and refrain to share them, etc.)	202. Motivated to get information about financial scams and fraud 203. Understands how pyramid/Ponzi schemes work and the implications of investing in them. 204. Confident to take the necessary steps (block bank card, contact the financial service provider and/or relevant authorities etc.) when one suspects being the target of financial fraud or scams, including suspicious requests for information or action 205. Aware of the concept of greenwashing and its implications
4.5 Financial Education, Information and Advice	**Financial information** 206. Aware that not all the sources of information about money matters are trustworthy	207. Able to identify impartial sources of information on financial matters (e.g. from public authorities or other independent source) and to distinguish it from marketing and advertising communications	208. Makes financial decisions based on impartial information using reliable tools 209. Requests information that should be disclosed before concluding financial transactions and makes sure that such information is understood

	Financial literacy and financial education 210. Aware that financial literacy helps to make better informed decisions and to increase financial well-being	211. Aware that some sources of financial education may not be impartial and may hide commercial material	212. Motivated to educate oneself on economic and financial matters throughout life using impartial sources of information
	Financial advice	213. Aware that advice can be sought from impartial sources when making financial decisions 214. Aware that financial advisors are obliged to enquire about sustainability preferences	215. Can find impartial sources of financial advice (including online) in case of need 216. Distinguishes between independent and non-independent financial advice 217. Aware that conflict of interest can arise when financial advice is offered 218. Considers the opportunity of consulting independent financial advisors when making financial decisions

4.6 Tax and public spending	**Purpose and impact of taxes** 219. Understands that there are taxes on different products, services, income and assets, etc 220. Understands why the state collects taxes (i.e. to spend on public services such as health and education, to provide support to people in difficulty, to protect the environment and facilitate the climate transition, etc.)	221. Can explain why people may be subject to different taxes, pay different amounts of taxes or may receive different public benefits 222. Understands the main types of taxes at national/local level	223. Pays any applicable taxes or fines on time, including online 224. Understands the consequences if taxes are not paid or paid late 225. Motivated to learn how fiscal policies can impact one's spending and saving decisions and support entrepreneurship
4.7 External Influences	**Macroeconomic impact**		226. Considers the impact of the macroeconomic and ecological situation (such as inflation, changes in interest and exchange rates, environmental risks, opportunities and impacts etc.) and of public policies when taking personal financial decisions or when considering setting up a business. 227. Understands the role of the main bodies having an impact on the economic and financial system (e.g. Central banks, governments etc.)
	Advertising and impact of external pressure 228. Recognises an advertisement when seeing one, including online and on social media	230. Can identify advertisements even when they are not presented as such (eg in movies, social media, influencers, etc.)	236. Takes into account that the way a product is presented (including online) may leverage behavioural biases and can influence personal decision

	229. Aware that spending decisions can be influenced by others, including friends (peer pressure), social and other media, and advertisements.	231. Aware that personal financial decisions can be influenced by emotions and behavioural biases (e.g. fear of missing out, herding behaviour, overconfidence or lack of confidence etc.) 232. Aware that advertisement and social media can seek to exploit certain emotions and can amplify certain behavioural biases. 233. Aware that behavioural biases can lead to irrational or suboptimal decisions 234. Realises that branding has an impact on the price of a product 235. Aware about the profession of (f)influencers and how they earn money	237. Aware that one's personal digital footprint is used by companies (including through Artificial Intelligence-based tools) to create tailor-made online adverts 238. Thinks critically and independently in the face of external pressure, including from marketing, friends, social media (social trading, meme stocks, (f)influencers, etc.)
	Sustainability considerations 239. Aware that personal financial decisions have an impact on society and on the environment	240. Considers how environmental or social considerations may impact one's personal financial situation (e.g. cost of organic products, reduction of waste, etc.)	241. Understands societal goals related to sustainability (e.g. net zero) and the implication for the economic and financial environment 242. Takes into account environmental, social or governance considerations in one's personal financial decisions

			243. Able to differentiate between managing green / sustainable financial risks and generating impact through a financial product

The Austrian Competence Framework for children and youth is based on the EU Competence Framework for children and youth: [230927-financial-competence-framework-children-youth_en.pdf (europa.eu)].