The Impact of the COVID-19 Pandemic on Financial Consumers in Asia

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Foreword

The COVID-19 outbreak shed new light on the need to focus on the financial resilience of individuals and households. At the same time, the COVID-19 crisis also accelerated the shift towards digitalisation in financial services, communication and policy responses. Governments around the world and in Asia have acted swiftly to mitigate some of the negative financial consequences of the actions taken to halt the spread of the COVID-19 virus. In particular, public authorities and other stakeholders have put in place measures to support financial inclusion and protect consumers, with the ultimate goal of supporting their financial resilience. Among the wide range of measures taken to protect financial consumers, this report focuses on those related to supporting digital financial inclusion and support for consumers in financial difficulty, with a particular focus on the arrangements to support consumers of credit products and services as well as consumers of insurance products.

This report sets out the key findings of a study to better understand the attitudes, behaviour and experiences of financial consumers with regard to COVID-19 policy measures on financial consumer protection and financial education implemented by governments in selected Asian economies, namely Cambodia, Indonesia and Malaysia. The research focuses on how well the measures were understood and taken up by consumers, the impact of these measures on protecting financial resilience, and the resulting longer-term changes to consumer behaviour.

The publication was prepared by Thomas Montcourrier and Anna Dawson, Policy Analysts, under the supervision of Chiara Monticone and Miles Larbey, Senior Policy Analysts, and with oversight from Flore-Anne Messy, Head of the Consumer Finance, Insurance and Pensions Division within the OECD Directorate for Financial and Enterprise Affairs. Editorial support was provided by Valeria Pelosi, Project Assistant, OECD.

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Key findings

The pandemic had a negative impact on the financial situation and financial resilience consumers

The consumer research clearly shows the negative impact of the pandemic on the financial situation and financial resilience of consumers in the Asian region. According to consumer self-reports, the COVID-19 pandemic had a negative impact for more than three quarters of the respondents in Cambodia, Indonesia and Malaysia. On average, the largest sources of financial difficulties were related to a decrease in savings, a loss or reduction of employment salary/income, or an increase in expenses related to family care and responsibilities.

The report provides evidence that financial resilience was strongly impacted by the pandemic, and shows that the percentage of respondents who could cover their living expenses for only less than a week has increased in the three countries, compared to before the pandemic.

Support measures were used and appreciated by consumers

The report outlines and comprehensively examines numerous measures put in place by public authorities and other stakeholders in Asia to support financial inclusion and protect financial consumers to weather the COVID-19 pandemic. Various sectoral measures have been implemented by policy makers, public authorities and financial services providers to maintain access to necessary credit for households, and to reduce the likelihood of both default on existing borrowing and the possibility of weakened credit scores from delaying repayments.

The research illustrates that many consumers in Asia took advantage of these support measures, specifically the credit and insurance sector measures, and the measures to encourage consumers to increase their use of digital financial services.

In relation to the respondents who used the credit and insurance support measures, on average, the vast majority considered that such measures improved their financial situation. Among consumers who indicated that they had increased their use of digital payments, the vast majority appreciated the fact that digital payments are faster and more flexible than traditional payment methods.

Certain factors limited the use of the support measures by consumers

Not all adults in the surveyed countries increased their use of digital payments and transactions during the pandemic, and not everyone took advantage of credit and insurance support measures. The report shows that there were certain factors that limited the take-up of support measures and limited the increase in the use of digital financial services during the COVID-19 pandemic.

Concerns about fraud and scams, limited knowledge of how to make digital payments, and lack of trust toward digital financial service providers were among the most cited reasons for not increasing digital payments. Among those who did not use the support measures, on average, the majority cited that this was because they did not have any credit or insurance contracts, or they did not need help with them. Lack of awareness and knowledge about how to use the measures were also mentioned by some consumers. Moreover, some users of the credit measures revealed an incorrect understanding of how the measures worked (for instance by thinking that their loan would be cancelled).

Financial literacy is associated with greater understanding of the support measures

The report suggests that there were limited levels of baseline financial literacy across the three countries, along with varying levels of familiarity with digital and financial technology. Overall, the research results suggest that financial literacy had a role in ensuring awareness of the support measures, and a correct understanding of how the support measures were working.

Consumers with higher financial literacy, and higher familiarity with digital and financial technologies, have been more likely to increase their use of digital payments since the start of the COVID-19 pandemic with respect to respondents with lower skills. Financial literacy is also associated with greater awareness and understanding of how the credit support measures worked.

The research found that only relatively small percentages of consumers used the occasion of the pandemic to look for financial information and advice to a greater extent than before the pandemic. However, the extent of looking for financial information and advice varied consistently by levels of financial literacy. On average, respondents with high financial literacy were more likely to have looked for information from various the sources to a greater extent than before the pandemic, compared to low financial literacy adults.

Key policy considerations

Based on the results of the research, the report sets out high-level policy conclusions for consideration by policy makers and public authorities in Asia when developing and implementing financial literacy and consumer protection policies with the aim of supporting consumers' long-term financial resilience and well-being under the evolving context of the context of the COVID-19 pandemic:

- **Collection of data, especially consumer data, is essential to inform and design policy responses**. This provides an evidence base to reflect on the effectiveness of policy measures taken as well as for the effective development of financial education, inclusion and consumer protection approaches in the long term.
- **Policy measures on credit and insurance were important to support consumers' financial resilience and well-being, and phasing out of such support needs careful consideration**. Countries should consider how to make sure that support measures remain relevant, and carefully consider whether and/or how to phase them out in ways that do not affect negatively on consumers' financial resilience and well-being.
- **Quick and flexible hardship arrangements support financial resilience and longer-term recovery**. Integrating such arrangements into financial consumer protection frameworks will prepare jurisdictions for future crises.
- **Education and communication are essential to a multi-stakeholder and coordinated approach**. Consumers should have sufficient levels of financial literacy to understand how to use support measures to their benefit. Clear communication and a multi-stakeholder and coordinated approach is essential to address issues and improve consumer understanding of support measures available.

1 Introduction

Background

While Asia was the first region to be hit by the coronavirus disease (COVID-19) at the end of 2019, the rapid spread of the pandemic has affected people and economies across the world. Periods of lockdown and the enforced closure of workplaces across the public and private sector, combined with the permanent closure of those businesses unable to weather the storm has put a strain on economies and particular segments of the population including women, youth, the elderly, informal workers, forcibly displaced people and those living in remote rural areas, as well as smaller firms.

The COVID-19 outbreak shed new light on the need to focus on the financial resilience of individuals and households. The pandemic has significantly affected many financial consumers in terms of their access to and use of personal financial services whether as a result of loss of employment, reduced income, or reduced access to physical services. Existing bills and repayments have become unmanageable for many consumers, whilst access to credit is difficult for those in precarious positions, limiting options to make ends meet if income falls or essential expenditure increases.

At the same time, the COVID-19 crisis also accelerated the shift towards digitalisation in financial services, communication and policy responses. Although the crisis has presented a range of new risks and challenges for financial consumers and exacerbated existing ones, it has also generated opportunities, such as the development of new or enhanced financial products and delivery channels. As such, digitalisation has helped contain the impact of the pandemic especially where key enabling factors were in place, such as accessibility to digital infrastructures, connectivity, digital skills and financial consumer protection (GPFI, 2021[1]).

While the COVID-19 pandemic has hit different countries with varying intensity (United Nations, 2021[2]), responding to the crisis has presented an unprecedented challenge to all governments both in scale and in the depth of impact on health, on the economy and on citizens' well-being. Governments around the world and in Asia have acted swiftly to mitigate some of the negative financial consequences of the actions taken to halt the spread of the COVID-19 virus. Government financial support programmes implemented in many countries have been of great assistance to households and firms to cope with income reductions; financial regulators and supervisors have also played an important role in the overall response by implementing procedures designed to protect and support financial consumers to weather the crisis (OECD, 2021[3]).

Among the wide range of measures taken to protect financial consumers, this report focuses on those related to supporting digital financial inclusion and financial resilience in three countries in Asia, namely Cambodia, Indonesia and Malaysia. In particular, the report focuses on the measures taken by governments and public authorities to support consumers in financial difficulty, with a particular focus on the arrangements taken to support consumers of credit products and services (including through credit moratoria, deferral of loan repayments, or loan restructuring) as well as consumers of insurance products (including through deferral of insurance premium payments, enhanced disclosure to policyholders and enhanced claims handling).

The report presents the results of a primary data collection in Cambodia, Indonesia and Malaysia to gain insights into the use of such support measures by consumers, as well as their perceptions and experiences. The report discusses how well the measures were understood and taken up by consumers in the three jurisdictions and their impact on protecting consumers' financial resilience. The role of financial literacy and consumers' familiarity with financial and digital technologies is also investigated.

The results of the report provide evidence to inform potential considerations for policy makers on the effectiveness of policy measures taken as well as for the effective development of financial education, inclusion and consumer protection approaches in the long-term.

Aim and structure

This report explores how the COVID-19 pandemic has affected the lives of financial consumers in Asia, with a focus on Cambodia, Indonesia and Malaysia, and the role of financial consumer protection and financial literacy measures in supporting financial resilience. The report is structured as follows:

- Chapter 2 discusses the role of financial consumer protection and financial literacy in supporting financial resilience during the pandemic. It presents an overview of the impact of the pandemic on financial resilience and details the policy responses put in place by public authorities and other stakeholders to support financial inclusion and protect financial consumers. In particular, it describes the measures enacted in Cambodia, Indonesia and Malaysia.
- Chapter 3 presents the results of the primary data collection in Cambodia, Indonesia and Malaysia. This starts with an overview of the self-reported impact of the COVID-19 crisis on the financial situation and financial resilience of consumers. It then includes results about the take-up of support measures by consumers, and about consumers' experience and perceptions of support measures relating to digital transactions, consumer credit and insurance. The Chapter also looks at the role of financial literacy and familiarity with digital technologies.
- Chapter 4 concludes with high-level policy considerations for policy makers and public authorities when developing and implementing financial literacy and consumer protection policies in the future.

Process and sources

This report complements existing OECD and G20 work on COVID-19 policy responses and on financial resilience. More specifically, it builds on the following background material:

- The G20/OECD Report on Lessons Learnt and Effective Approaches to Protect Consumers and Support Financial Inclusion in the Context of COVID-19 (OECD, 2021[4]) and the G20/OECD-INFE Report on supporting financial resilience and transformation through digital financial literacy (OECD, 2021[5]).
- The OECD Report on Financial consumer protection and financial literacy in Asia in response to COVID-19 (OECD, 2021[3]).
- The Detailed Analysis of Jurisdiction Measures and Implications on Protecting Financial Consumers during the COVID-19 Pandemic (OECD, 2021[6]) and the OECD report on Financial Consumer Protection Policy Approaches in the Digital Age (OECD, 2020[7]).
- The OECD/INFE Report on Financial Literacy and Resilience in APEC Economies (OECD, 2021[8]).
- The G20/OECD High-Level Principles on Financial Consumer Protection (OECD, 2011[9]) that are being updated and the 2022 Implementation Report (OECD, 2022[10]).
- The G20 GPFI 2020 Financial Inclusion Action Plan (GPFI, 2020[11]) and G20 GPFI Menu of policy options for digital financial literacy and financial consumer and MSME protection (GPFI, 2021[1]).
- The G20 High-Level Principles for Digital Financial Inclusion (GPFI, 2016[12]).

Methodological information

The OECD conducted a quantitative survey aiming to enhance the understanding of the experiences, behaviours and attitudes of financial consumers in relation to the policy measures implemented to assist them in response to the impacts of COVID-19. The survey focuses on the policy measures addressed at consumers and households across Cambodia, Indonesia and Malaysia, such as:

- Encouraging use of digital transactions.
- Measures to support credit holders (such as credit moratoria, deferral of loan repayments, or loan restructuring).
- Measures to support insurance policyholders (such as deferral of insurance premium payments, enhanced disclosure to policyholders, and enhanced claims handling).

The OECD designed a survey instrument (see Annex A) and worked with a market research agency who collected the data in Cambodia, Indonesia and Malaysia. In each country, the survey is representative of the adult consumer population, comprising 1200 observations per country (see Annex B). Data collection took place in January-February 2022.

2 The role of financial consumer protection and financial literacy in supporting financial resilience during the pandemic

This Chapter discusses the role of financial consumer protection and financial literacy in supporting financial resilience during the pandemic. It presents an overview of the impact of the pandemic on financial resilience and details the policy responses put in place by public authorities and other stakeholders to support financial inclusion and protect financial consumers. In particular, it describes the measures enacted in Cambodia, Indonesia and Malaysia.

The impact of the COVID-19 pandemic on financial resilience

The COVID-19 pandemic has affected the lives of many people around the globe

The COVID-19 pandemic has created financial and economic turmoil on a global scale, and economies in Asia have not been spared. The impact of the pandemic has been broad, affecting societies, the global economy, and many other areas leading to nearly every aspect of people's lives being transformed.

The policy measures implemented to abate the virus spread have led to an unprecedented economic shock, which affected both demand-side (ADB, 2020[13]) and supply-side, as efforts on the part of both governments and individuals to limit the spread of the virus curtailed large areas of economic activity (OECD, 2021[14]). Certain sectors which had been a major source of revenue and jobs for many Asian economies, such as travel and tourism, were heavily affected. The crisis has caused millions of job losses, economic hardship and wiped out many firms, especially among micro, small and medium-sized enterprises (MSMEs) (Fang, H, 2021[15]). Deprived urban areas and regions specialised in exposed industries or with a high share of MSMEs, have been harder hit than others (OECD, 2021[16]).

To a large extent, the crisis worsened pre-existing vulnerabilities and disproportionately affected certain segments of the population. Workers in low-paying occupations, often with fixed-term contracts, those holding a low level of education, independent workers, including those working informally (OECD, 2021[17]) or in specific sectors (OECD, 2021[18]), MSMEs (OECD, 2021[19]) or women (ADB, 2021[20]; OECD, 2020[21]) have been particularly affected by the ravages of the crisis.

Box 2.1. Financial consumer protection, financial inclusion and financial literacy – Definitions and main international instruments

Financial consumer protection, financial inclusion and financial education—together with broader social policies that promote access to opportunities and protection from risk—work together to support financial resilience and promote the financial well-being of individuals, families, and micro and small businesses by ensuring that they have access to financial products and services, are equipped to use them to their benefit, are treated fairly and adequately protected from harms in doing so.

Financial inclusion

Financial inclusion generally refers to the effective and quality access to and usage of – at a cost affordable to the customers and sustainable for the providers – financial services provided by formal institutions (G20, 2017[22]) However, while significant progress has been made over the years, it is estimated that more than 1.7 billion adults remain without access to formal financial services at a global level (Demirguc-Kunt et al., 2018[23]; World Bank, 2018[24]).

The G20 Global Partnership on Financial Inclusion (GPFI) was launched in 2010. The GPFI is an inclusive platform for all G20 countries, interested non-G20 countries and relevant stakeholders to carry forward work on financial inclusion, including implementation of the G20 High-Level Principles for Digital Financial Inclusion (GPFI, 2016[12]). In 2020, the GPFI published the G20 Financial Inclusion Action Plan 2020 (GPFI, 2020[11]) which identifies the need to analyse the COVID-19 implications for financial inclusion and the role of financial inclusion to mitigate the impact of COVID-19 on society. In 2022, the GPFI will notably develop an implementation guide on the G20 High-Level Principles for Digital Financial Inclusion, among other deliverables.

Financial consumer protection

Financial consumer protection refers to the framework of laws, regulations and other measures generally designed to ensure fair and responsible treatment of financial consumers in their purchase and use of financial products and services and their dealings with financial services providers.

Established in response to the financial crisis of 2008, the G20/OECD Task Force on Financial Consumer Protection is the leading global forum for the development of financial consumer protection policy and practice internationally. The Task Force is responsible for the G20/OECD High-Level Principles on Financial Consumer Protection (OECD, 2011[9]), which set out the foundations for a comprehensive financial consumer protection framework. The Task Force is currently in the process of revising the High-Level Principles on Financial Consumer Protection and recently published an Implementation Report (OECD, 2022[10]). A sector-specific application of these Principles is in the Recommendation of the Council on Consumer Protection in the field of Consumer Credit (OECD, 2012[25]).

In 2021, the Task Force produced the G20/OECD Report on Lessons Learnt and Effective Approaches to Protect Consumers and Support Financial Inclusion in the Context of COVID-19 (OECD, 2021[4]) and a supplementary report with Detailed Analysis of Jurisdiction Measures and Implications on Protecting Financial Consumers during the COVID-19 Pandemic (OECD, 2021[6]).

Financial education/literacy

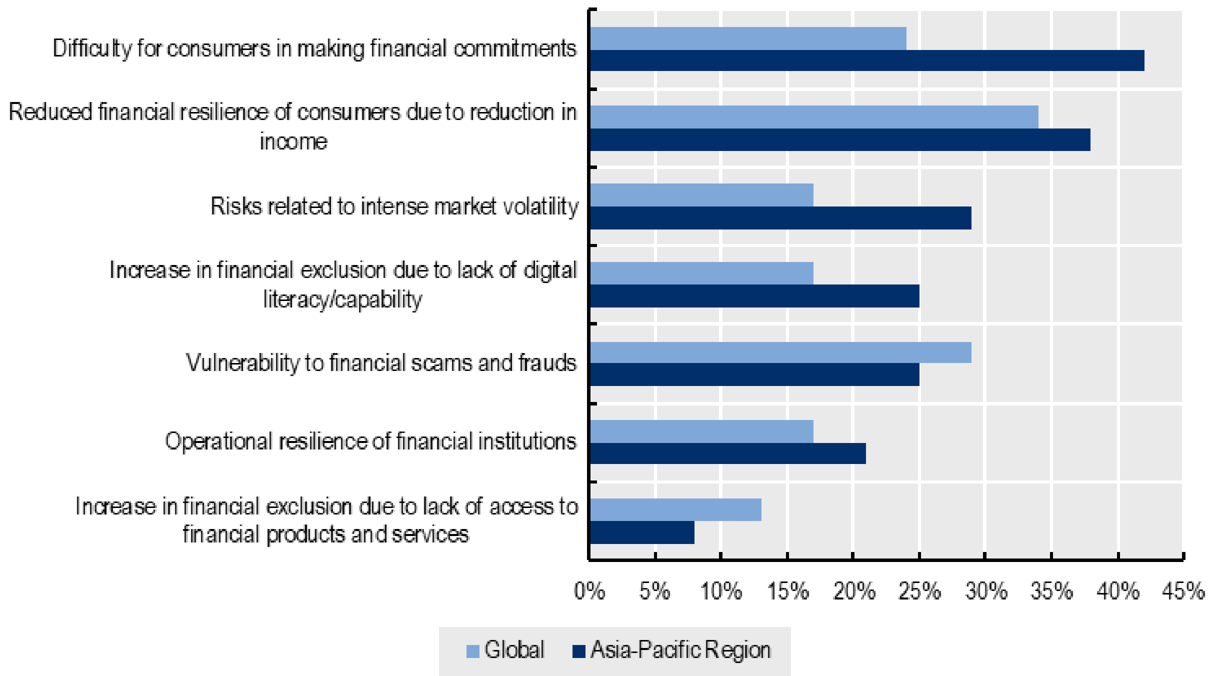
The Recommendation of the OECD Council on financial literacy (OECD, 2020[26]) defines financial literacy as "*a combination of financial awareness, knowledge, skills, attitudes and behaviours necessary to make sound financial decisions and ultimately achieve individual financial well-being*".

The OECD International Network on Financial Education (OECD/INFE) was created in 2008 to collect internationally comparable financial literacy data and evidence, develop methodologies to measure impact, share experience and good practices, develop research and comparative analysis, design policy instruments and promote effective implementation and monitoring. In 2021, the OECD/INFE developed the G20/OECD-INFE Report on supporting financial resilience and transformation through digital financial literacy (OECD, 2021[5]) and the report G20/OECD-INFE Report on Navigating the Storm: MSMEs' Financial and Digital Competencies in COVID-19 times (OECD, 2021[27]), which provided insights about the impact of the COVID-19 pandemic on the financial resilience of consumers and micro/small businesses.

Impact of COVID-19 and risks faced by financial consumers

In addition to global impacts experienced by the population, financial consumers have been exposed to specific risks. Figure 2.1 shows the most significant risks facing financial consumers (OECD, 2021[4]) according to a survey on financial inclusion and financial consumer protection conducted by the G20/OECD Task Force on Financial Consumer Protection, with responses from financial consumer protection policy makers in 164 organisations from 81 jurisdictions. The rest of the section will discuss these risks and challenges in turn.

Figure 2.1. Most significant risks to financial consumers arising from the COVID-19 pandemic



Note: Number of responses: 126 globally, 15 for Asia-Pacific Region. Respondents from Asia-Pacific include Australia, Cambodia, China, Hong Kong, China, India, Indonesia, Japan, Lao PDR, Malaysia, New Zealand, Philippines, Republic of Korea, Russian Federation, Singapore and Thailand.
Question text: "Please indicate how significant you consider each of the following risks to financial consumers arising from the COVID-19 pandemic in your jurisdiction.". Only "most significant" risks are indicated.
Source: adapted from the G20/OECD Report on Lessons Learnt and Effective Approaches to Protect Consumers and Support Financial Inclusion in the Context of COVID-19 (OECD, 2021[4]).

Impact on financial resilience and ability for consumer to make financial commitments

Financial resilience is a broad concept that can be thought of as the ability of individuals or households to resist, cope and recover from negative financial shocks (OECD, 2021[5]). Such negative financial shocks can result from various unexpected events, including those related to employment, health, changes in family composition, damage to household possessions, or other large unexpected expenses (McKnight, 2019[28]; McKnight and Rucci, 2020[29]; Salignac et al., 2019[30]), while the households' ability to cope with them depends on the availability of appropriate resources and the ability to mobilise them.

The financial resilience of Asian households have been severely impacted by the COVID-19 pandemic through a variety of channels, such as loss of employment, reduced working hours or higher prices, among others (ADB, 2021[20]; Fang, H, 2021[15]; Sawada, Y. and L. R. Sumulong, 2021[31]). Loss of employment or reduced working hours led to significant reductions in income which directly impacted households' financial situation and financial resilience of consumers (OECD, 2021[5]). Also, market uncertainty has resulted in fluctuating stock market prices and exchange rates, further weakening the purchasing power of some households, and potentially reducing the value of rainy-day funds (OECD, 2021[3]). In addition to the immediate impact on financial resources, the crisis also affected financial resilience in more indirect ways, by increasing levels of uncertainty and by making it more difficult to access informal support through family, friends and the broader community (OECD, 2021[32]).

Impacts on digitalisation of financial services

The COVID-19 pandemic accelerated the shift towards greater digitalisation in all domains, including financial services, financial information, financial education and advice. Digital financial services have facilitated, amid social distancing, the effectiveness of lockdown measures and have enabled transactions respecting sanitary requirements. In many ways, the role of digital financial services during the COVID-19 crisis has reinforced existing trends.

While these digital developments demonstrate the important role of digital innovation as part of the response to the pandemic, the impact of this accelerated digitalisation also comprises significant risks for consumers such as an increased vulnerability to digital security risks and risk of financial exclusion. Digital security risks have increased as malicious actors took advantage of the COVID-19 pandemic (OECD, 2020[33]). These risks include new forms of financial scams or fraud (such as phishing or vishing, scams linked to social media or investment platforms), as well as frauds targeting recipients of emergency government benefits, data breaches, excessive data profiling, lack of privacy and manipulation of consumers' behavioural biases when operating online (OECD, 2020[34]).

Moreover, the COVID-19 crisis highlighted the vulnerabilities of certain groups: among others, the elderly population, due to their limited digital literacy level, unbanked people or other vulnerable groups, who do not have access to digital devices (APEC, 2020[35]). This meant that the digitally excluded and those most in need of support were also facing challenges in adapting to the digitalisation of financial services and in accessing public benefits and support measures that were implemented through digital payments and transfers to households and businesses.

Policy responses to support financial inclusion and protect financial consumers

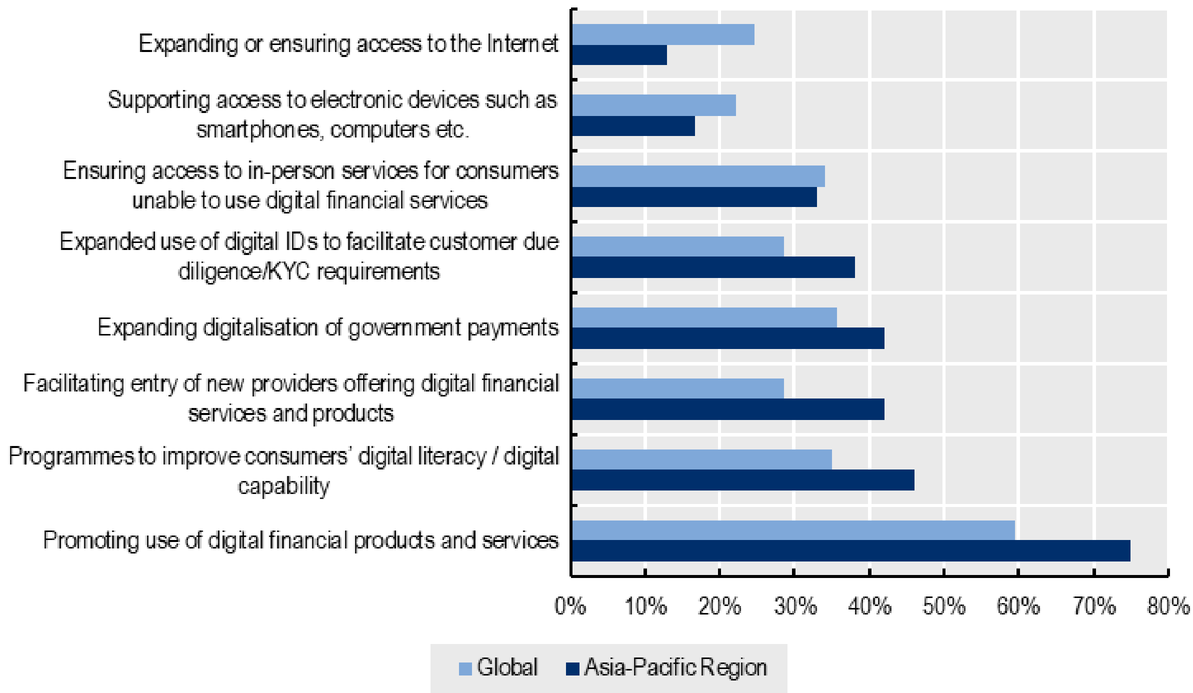
As the pandemic significantly affected many financial consumers in terms of their access to and use of personal financial services, governments in Asia have recognised the importance of supporting consumers in times of uncertainty and instability. Financial regulators and supervisors had an important role in the overall response by implementing measures to support digital financial inclusion, implementing procedures to protect and inform financial consumers or to adapt the delivery of financial education (Box 2.1).

Jurisdictions in the region have put in place a variety of interventions focused on supporting consumers of specific financial services, such as credit, insurance and investments.

Overview of measures to support financial inclusion

According to the survey on financial inclusion and financial consumer protection in the context of COVID-19 conducted by the G20/OECD Task Force on Financial Consumer Protection, many jurisdictions have introduced policy initiatives or measures to support financial inclusion in response to COVID-19 (Figure 2.2). This section focuses on measures implemented in the Asia-Pacific region, and especially on those put in place in Cambodia, Indonesia and Malaysia.

Figure 2.2. Measures to support financial inclusion



Note: Number of responses: 126 at global level, 15 for Asia-Pacific. Respondents from Asia-Pacific include Australia, Cambodia, China, Hong Kong, China, India, Indonesia, Japan, Lao PDR, Malaysia, New Zealand, Philippines, Republic of Korea, Russian Federation, Singapore and Thailand.
Question text: "Have any of the following measures or initiatives been adopted in your jurisdiction in light of the COVID-19 pandemic?".
Source: adapted from the G20/OECD Report on Lessons Learnt and Effective Approaches to Protect Consumers and Support Financial Inclusion in the Context of COVID-19 (OECD, 2021[4]).

Promoting the use of digital payments and other digital financial services

During the pandemic, governments, central banks and financial service providers have put in place various special measures to help people make digital payments, for example by encouraging consumers to pay for goods on a debit or credit card rather than with cash as well as increasing the limit for some contactless payments. Measures have also been taken to ensure continued access to banking services or allowing people to make more payments online (e.g., for utilities or government services). Waiving of fees and charges or enabling emergency access to funds in term deposits were also common measures used to support consumers exposed to other specific risks.

This has been the case in **Malaysia** where there has been continuous access to banking services (e.g., branches, agents, internet, mobile) by financial consumers throughout the pandemic period. Measures were also taken in **Indonesia** and **Cambodia** to encourage use of contactless or remote payments. This pushed financial firms to develop their digital platforms to be more user friendly and accessible. Public authorities facilitated such innovations.

For instance, the National Bank of **Cambodia** has developed retail payment systems to facilitate electronic payment interoperability among banking and financial institutions. In 2020, the BAKONG system was introduced, which includes a digital currency and digital wallet via mobile banking apps. The aim was to promote the use of local currency and electronic payments in Cambodia on a real-time basis to improve the interconnectedness and interoperability among different financial institutions and payment service providers. In addition, the adoption of a standardised QR code payment in Cambodia (KHQR code) provided more convenience and a wider acceptance channel for users to make electronic payments. Also, Bank **Indonesia** initiated the QR Code Indonesian Standard (QRIS), a common QR code payment method that can be utilised for all payment platforms by different payment providers, and created BI-FAST, a payment system infrastructure that facilitates retail payments using a variety of payment instruments and channels.

Facilitating entry of new providers offering digital financial services and products

A strong competitive environment is critical for financial consumer protection and for the development of new digital products to support financial inclusion. To promote innovation and foster competition, many jurisdictions have implemented measures to facilitate the entry of new providers offering digital financial services and products. Such measures include the use of regulatory sandboxes and innovation hubs, targeted regulatory support, advice, guidance or exemptions from certain regulatory requirements.

For example, in 2018, Bank Negara **Malaysia** launched the Digital Finance Innovation Hub to support the financial inclusion of Malaysia's middle and low-income consumers. In 2020, it introduced a new regulatory regime for new entrants to operate digital banking businesses, which includes an explicit financial inclusion objective (i.e., to serve underserved or unserved markets). Bank **Indonesia** also strengthened the testing function of the payment system technology. The new regulatory mechanism called Sandbox 2.0 includes a regulatory sandbox component which takes into account specific needs of the Fintech sector under Bank Indonesia's remit (Bank Indonesia, 2021[36]). In **Cambodia**, there has been support for fintech and innovation over the past decade. For instance, the National Bank of Cambodia continuously issues guidance to provide regulatory clarity and engages with the financial services industry in relation to fintech that could bring benefits to the whole sector.

Expanding digitalisation of government payments

In economies with higher levels of digital financial inclusion and the appropriate infrastructure, digital financial services facilitated the implementation of government support measures by making digital payments and transfers to consumers and MSMEs (APEC, 2020[35]). Indeed, across the Asia-Pacific region, most people who received government payments report receiving them digitally (OECD, 2021[4]).

Governments allowed for digital payments to public administrations (such as taxes, permits, and fees) and increased the use of digital channels for the disbursement of pensions, teachers' salaries, and other benefits. For example, in **Malaysia**, the government disbursed cash transfers electronically and directly into the bank account of the eligible recipients. A campaign was also launched to encourage the public to use digital payment methods when making payments to the government ("Cashless Boleh Campaign"). Under the Malaysia Digital Economy Blueprint ("MyDIGITAL") launched in February 2021, the government has set a target to enable e-payments at all government agencies by 2022 (Bank Negara Malaysia, 2021[37]). Bank **Indonesia** supported the Government in accelerating the digitalisation of the distribution of social aid programmes ("Bansos") (Bank Indonesia, 2021[36]). In **Cambodia**, the Government has established the framework "Cambodia Digital Economy and Society Policy 2021-2035", which includes developing an inclusive and interoperable digital payment system.

Expanded use of digital IDs to facilitate customer due diligence/KYC requirements

Many jurisdictions have issued regulations allowing for greater use of digital IDs, either for the first time or expanding authorisations that had been in place for certain providers or certain customer segments. For example, to further support the uptake of online financial services and digital identification processes, Bank Negara **Malaysia** introduced policies to enable electronic Know-Your-Customer (e-KYC) to be conducted by financial institutions. The e-KYC Policy Document was issued in June 2020, enabling digital on-boarding of customers to occur anytime and anywhere.

Expanding or ensuring access to the internet and electronic devices and supporting the financial inclusion of identified groups

Many jurisdictions expanded internet access and supported access to electronic devices among their populations, as a way to enable the use of digital financial products and services. Most notably, efforts have been focussed on a number of vulnerable and underserved groups such as MSMEs, seniors, youth, women, and migrants. The G20/OECD Report on Lessons Learnt and Effective Approaches to Protect Consumers and Support Financial Inclusion in the Context of COVID-19 includes specific examples (OECD, 2021[4]).

Adapting the content and delivery of financial education and promoting digital financial literacy

The delivery of financial education has also been an important component to mitigate the impact of the crisis and strengthen consumers' financial resilience (OECD, 2021[5]; OECD, 2021[3]). Many economies in Asia-Pacific have found effective ways to change the method of delivery at short notice. For example, **Indonesia** made a large-scale shift from face-to-face to online delivery through improving digital apps, social media and web-based channels. Bank Negara **Malaysia** and the Financial Education Network (FEN) have put in place a comprehensive dissemination strategy through targeted messages to vulnerable groups to provide key information on the risks related to the use of digital services and help consumers to navigate the various relief measures available. The National Bank of **Cambodia** has also been promoting financial literacy through different tools including efforts to embed financial literacy into the school curriculum; targeting financial literacy programs to women; working with stakeholders to enhance financial literacy through the "Let's Talk Money" campaign and "Catalyzing Women's Entrepreneurship" project; and conducting seminars on microfinance.

Overview of measures to protect financial consumers

Policy makers, public authorities and financial services providers have used various strategies and tools to safeguard the interests of financial consumers who experienced financial difficulties and helped them to manage their personal finances. For example, jurisdictions in Asia and across the world have put in place various cross-sectoral initiatives to ensure the fair treatment of customers, to provide consumers with timely information to help them to manage their finances during the pandemic or to help consumers avoid fraud and scams (OECD, 2021[3]).

In addition, various specific measures have been implemented to maintain access to necessary credit for households, and to reduce the likelihood of both default on existing borrowing and the possibility of weakened credit scores from delaying repayments. Together, such approaches intended to identify and prevent the negative consequences of missed payments, help households manage cash flow, and maintain lenders' willingness and ability to provide credit. Regarding insurance, insurers and policy makers in the Asia-Pacific region have put in place a number of policies and actions designed to inform consumers and MSMEs about the options available, and helped them to access and maintain insurance policies and make claims where relevant.

Maintaining access to credit and household creditworthiness

The most common measures implemented to support consumers of credit products and services were those allowing restructuring of repayment terms (e.g., loan periods or interest rates). Such restructuring programs were often accompanied by opportunities to defer payments, either through public or private credit moratoria. Other measures included enhanced disclosure to borrowers, waiving of fees and charges as well as enabling emergency access to additional credit.

For example, in parallel to relaxing a number of regulations for banks, the National Bank of **Cambodia** has issued circulars on the restructuration of repayment terms (for example, loan periods or interest rates) during the pandemic for customers in four prioritised sectors, including tourism, garment, construction and transportation, and later expanded the scope to other impacted sectors. Additional measures include also reducing certain interest rates to decrease banks' funding costs and to encourage banks to disburse loans; and lowering required reserves both for local and foreign currency.

In **Indonesia**, policy stimuli were implemented to support government measures geared towards accelerating national economic recovery. These included relaxing regulations concerning loan restructuring for individuals, MSMEs and corporate borrowers impacted by COVID-19 as well as relaxing the enforcement of administrative sanctions on the financial services industry for late payment in the form of fines and/or interest during emergency situations caused by COVID-19 (Bank Indonesia, 2021[36]).

In **Malaysia**, following the strict nation-wide Movement Control Order (MCO) announced in March 2020, Bank Negara Malaysia worked with the industry to introduce a six-month automatic moratorium on repayments for eligible individual and MSMEs loans/financing starting in April 2020. This was to enable immediate cash flow relief for households and businesses at the scale and speed necessary amid a sudden halt to economic activities. In addition, banks also provided support to larger corporates via restructuring and rescheduling of loans/financing as well as conversion of credit card balances into term loans or financing with lower interest rates.

With the easing of MCO restrictions from May 2020 and improving economic conditions, the Bank Negara Malaysia worked concurrently with the industry to transition towards more targeted repayment assistance, focusing on those who continued to require financial assistance, such as microenterprises and those who have become unemployed or have experienced significant reduction in incomes. At the same time, borrowers were assured that if their financial circumstances changed as a result of further shocks due to the pandemic, they could still seek help in future, without affecting their credit records in the Central Credit Reference Information System (CCRIS). Beyond assistance packages, banks also worked closely with the Credit Counselling and Debt Management Agency (or Agensi Kaunseling dan Pengurusan Kredit (AKPK)) to ensure that borrowers who go through AKPK's debt management programmes were able to secure assistance quickly. This was done by standardising the debt restructuring assessment metrics, thus materially shortening the time taken for AKPK to process individual applications for assistance (Bank Negara Malaysia, 2021[37]).

These measures were considered effective to support financial consumers in **Cambodia**, **Malaysia** and **Indonesia**. However, some countries mentioned challenges in maintaining access to credit and household creditworthiness related to the limited explanations given to consumers by financial service providers. For instance, in **Malaysia**, financial service providers were requested to review and improve their communication to ensure that affected customers were informed about the long-term financial impact of the repayment assistance options offered. Such measures were supported by the implementation of financial education initiatives to alert consumers on the availability of the relief measures, to advise affected consumers to seek help early, as well as to provide a simple guide to facilitate affected consumers to choose the options suitable to their needs and circumstances. In **Indonesia**, especially at the beginning of the implementation of the measures, most borrowers were unaware of the conditions of credit restructuring policies. The Financial Services Authority of Indonesia (OJK) and financial firms actively communicated about the credit restructuring policy to consumers through various channels (including website, social media, and agents) (Bank Indonesia, 2021[36]).

Accessing and maintaining insurance cover

Jurisdictions supported consumers of insurance products mostly through enhanced disclosure and providing extra information to policyholders, changes that were in most cases made permanent. Other measures included discounts on or refunds of premiums, deferred premium payments, suspended cancellations of insurance contracts, and automatic renewal.

For example, in **Cambodia**, the insurance sector – such as Dai-ichi Life Insurance or AIA Cambodia through the "AIA COVID Care program" – implemented *ad hoc* programs to ease the financial burden of customers impacted by COVID-19, including extending or waiving premium payments.

In **Malaysia**, similar relief measures were provided by the insurance industry to ease cash flow constraints, preserve coverage and reduce the cost of protection for affected policyholders. These include options to defer payment of life insurance premiums, restructuring of insurance policies, waivers of fees and charges, and expedited claims processes. Despite significantly higher claim costs incurred by insurers in recent years, the industry also deferred planned repricing exercises that were due for medical and health insurance policies to 2021. In light of the reintroduction of the Movement Control Orders in many parts of the country in January 2021, the insurance sector agreed to extend these relief measures and introduced new measures to further reduce the financial burden of policyholders. These include an extension of the application period for premium/contribution deferments until 30 June 2021 and a six-month waiver of interest for repayments of deferred premiums/contributions to help consumers gradually resume their premium/contribution payments (Bank Negara Malaysia, 2021[37]).

Despite the effectiveness of these measures, a high rate of rejection for applications for premium or contribution deferments were observed due to insufficient documentation provided by consumers. This led to insurers in **Malaysia** being requested to review their existing processes to ease the application process for consumers that had been impacted by the pandemic. This included simplified documentation requirements, effective mechanisms for internal monitoring and review of rejected applications. Similarly, in **Indonesia**, insurers were requested to raise policyholders' and consumers' awareness about how to properly apply for waivers, ex-gratia payments and extended time of cover.

3 Consumer Insights: COVID-19 pandemic, support measures and financial resilience

This Chapter presents the results of a primary data collection that took place in in Cambodia, Indonesia and Malaysia in January-February 2022. The Chapter starts with an overview of the impact of the COVID-19 crisis on the financial situation and financial resilience of consumers. It then presents results about the experience and perceptions of consumers' about the support measures relating to digital transactions, consumer credit and insurance, and the take-up of these support measures by consumers. Finally, the Chapter looks at the role of digital and financial literacy and education.

Impact of the COVID-19 pandemic on the financial resilience of consumers

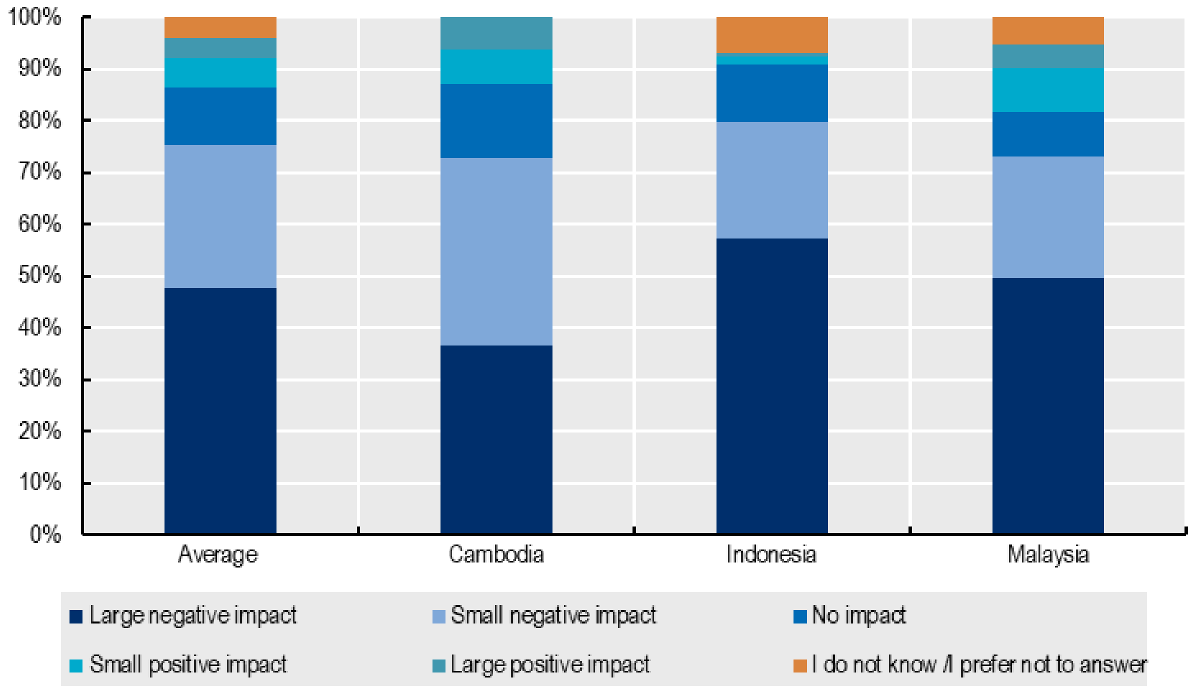
The COVID-19 pandemic had a strong negative impact on the financial situation and financial resilience of consumers in Cambodia, Indonesia and Malaysia, similarly to what was reported in many other countries (OECD, 2021[5]).

Figure 3.1 shows the self-reported impact of the COVID-19 pandemic on the financial situation of consumers. In all of the three countries, the pandemic had a negative impact for more than three quarters of the respondents. On average, only around 20% of respondents reported that they experienced no impact or a positive impact. At country level, 50% or more of adults in Indonesia and Malaysia reported a large negative impact and 80% of adults in Indonesia reported a large or small negative impact.

When looking at the impacts for different socio-demographic groups in each country, it appears that in Cambodia, the COVID-19 pandemic had large negative impact on the financial situation of certain groups, especially women, individuals aged between 30 and 39 years, individuals with a university level education, as well as full time employees. In Malaysia, the most negatively impacted individuals were the low-income population. Finally, in Indonesia, the COVID-19 pandemic had negative impacts on the majority of the respondents, with limited variations across subgroups.

Figure 3.1. Impact of the COVID-19 pandemic on consumers' financial situation

Percentage of respondents indicating that they have a negative/positive/no impact from the COVID-19 pandemic on their financial situation

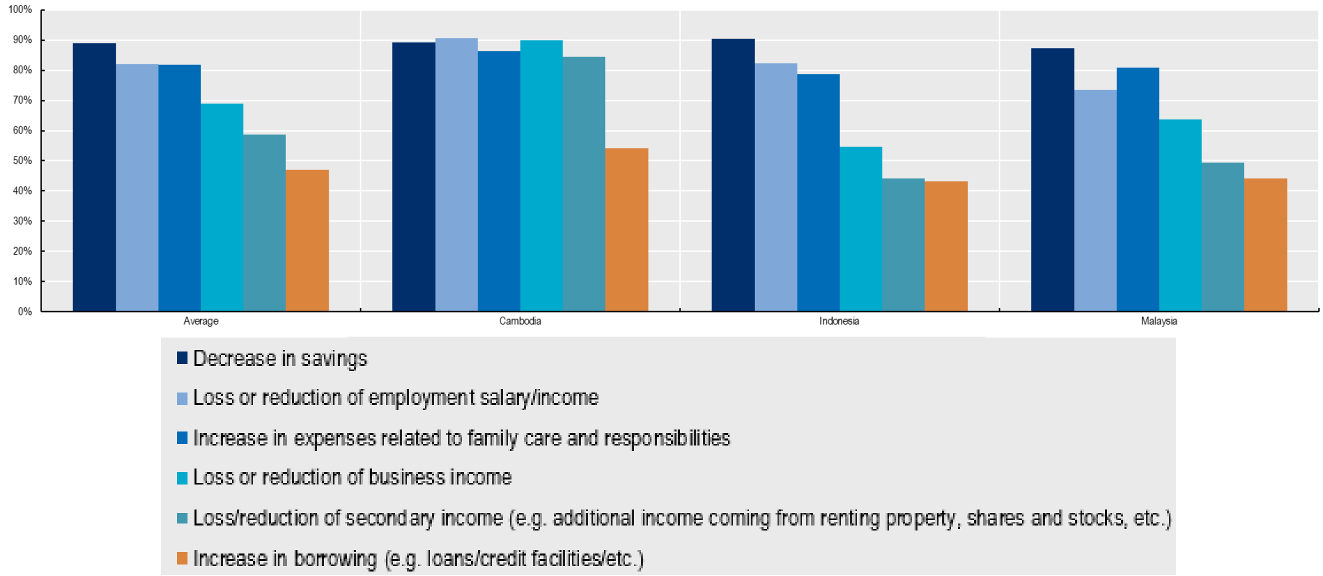


Note: R= 1200 for each of the three countries. 3600 for countries average.
Question: Q21Rate the impact of the COVID-19 pandemic generally on your financial situation.
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

Whenever respondents reported a negative overall impact on their financial situation, the survey asked them to provide more details. Figure 3.2 shows that, on average, the largest sources of financial difficulties were related to a loss or reduction of employment salary/income, a loss or reduction of business income, an increase in expenses related to family care and responsibilities, or a decrease in savings. On average, relatively fewer respondents indicated a loss/reduction of secondary income (e.g. additional income coming from renting property, shares and stocks, etc.) or an increase in borrowing (e.g. loans/credit facilities/etc.).

Figure 3.2. Negative impact of the COVID-19 pandemic on consumers' financial situation

Percentage of respondents who indicated experiencing the following elements



Note: For Cambodia N=875, for Indonesia N=879, for Malaysia N= 958.
Question: What was the negative impact on your financial situation due to the COVID-19 pandemic?
Source: OECD survey to measure the impact of the COVID19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

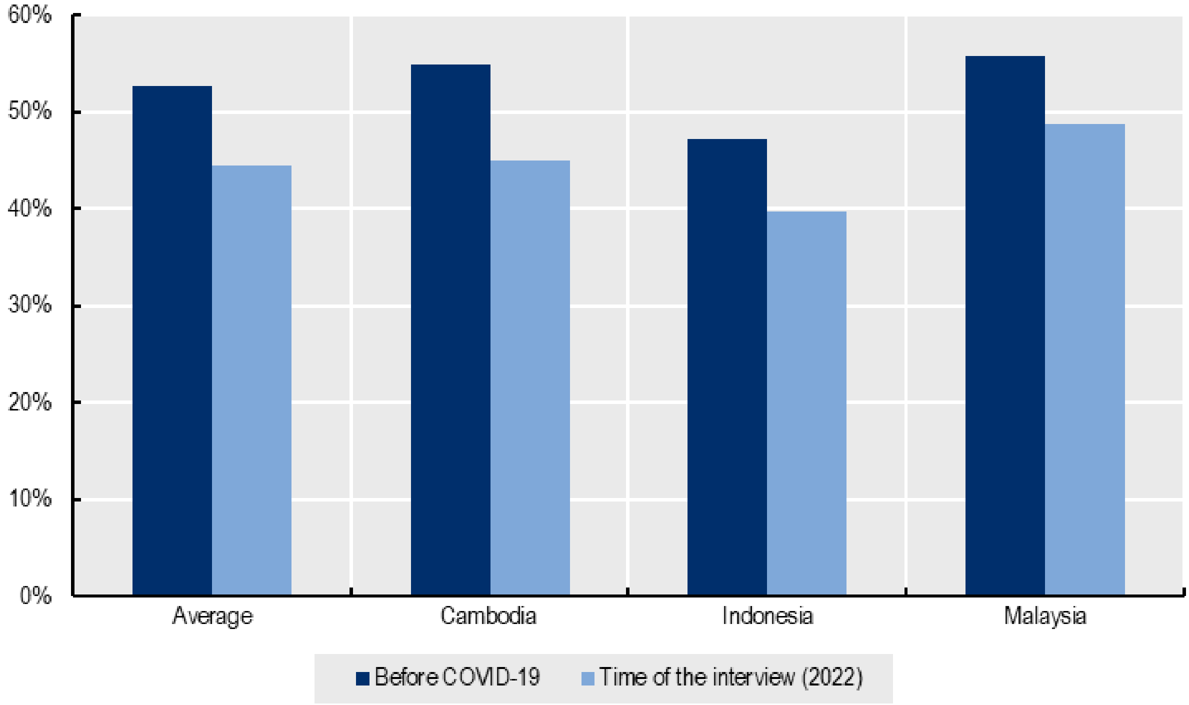
In order to explore the financial resilience of consumers, respondents were asked if they would have been able to pay a major expense (equivalent to their own monthly income) without borrowing the money or asking family or friends to help. The same question was asked with reference to the time of the interview, and also in relation to December 2019 (before the COVID-19 pandemic started), as a way to gauge the impact of the pandemic on financial resilience.

Figure 3.3 shows that financial resilience was strongly impacted by the pandemic. Between December 2019 and early 2022, the percentage of respondents who declared being able to pay an unexpected expense without borrowing the money or asking family or friends to help dropped by 9 percentage points on average. At the time of interview (in January-February 2022), consumers in Malaysia showed relatively greater financial resilience to a major unexpected expense than consumers in the other countries, as almost half of the respondents reported being able to pay such an expense by their own means.

When looking at the impact for different socio-demographic groups in each country, consumers in Cambodia with a university level education were more likely than the general adult population to be able to pay for an unexpected major expense, both before the pandemic and in 2022. In Malaysia, men, full-time employees, high-income individuals, retirees as well as individuals living in large cities were the groups with a greater ability to pay for an unexpected major expense at the time of the interview compared to the general population. In Indonesia, there was limited variation by socio-demographic factors on the ability to pay for a major unexpected expense.

Figure 3.3. Financial resilience – Ability to pay a major unexpected expense

Percentage of respondents who declared being able to pay an unexpected expense without borrowing the money or asking family or friends to help



Note: N= 1200 for each of the three countries. 3600 for countries average.
Questions: If you, personally, faced a major expense today/in December 2019 (before the COVID-19 pandemic) – equivalent to your own monthly income – would you have been able to pay it without borrowing the money or asking family or friends to help? If you did not previously have an income, please think about an unexpected expense equivalent to the amount of money you typically would have spent in a month.
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

Complementary to the ability to pay a major unexpected expense, respondents were asked how long they could continue to cover living expenses without borrowing any money or moving house in circumstances where they had lost their main source of income. As for the previous question, respondents were asked to provide an answer both thinking at the time of interview and looking back to December 2019 before the COVID-19 pandemic started.

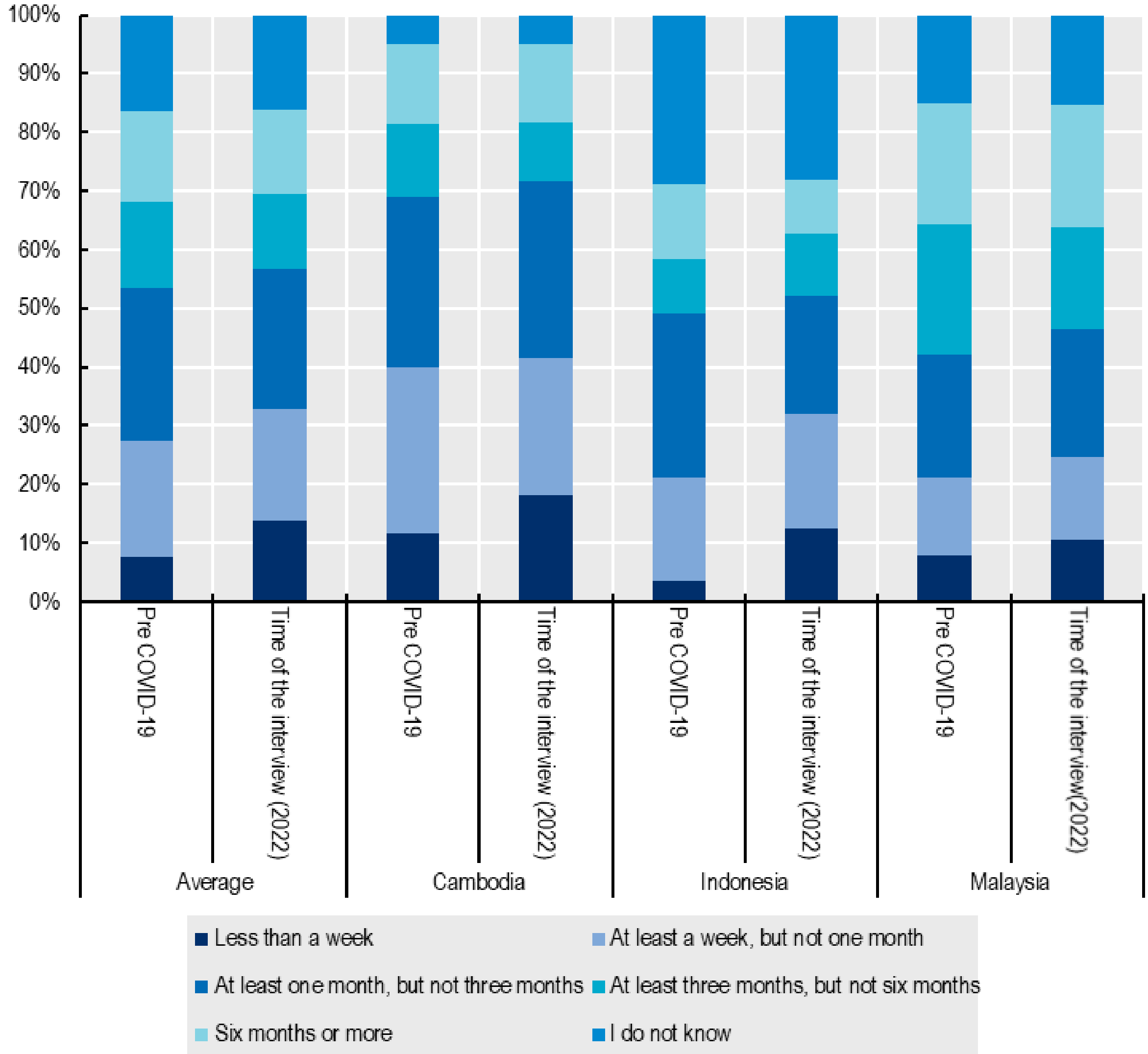
Figure 3.4 shows that the percentage of respondents who could cover their living expenses for only less than a week has increased in the three countries. The largest increase occurred in Indonesia (+9 percentage points), while the highest absolute percentage is in Cambodia where almost one fifth of the respondent could not cover living expenses for more than a week in case of a loss of income at the time of interview in 2022. When looking at cumulative figures, consumers in Cambodia show very limited financial resilience to unexpected income shocks, with 72% of respondents reporting that they can cover their living expenses for no more than a month.

When looking at variations by socio-demographic variables, in Cambodia, women and low-income people were more likely than the general population to report that they could cover their living expenses for less than one week, at the time of interview (2022). In Malaysia, low-income populations were particularly likely to report that they could cover their living expenses for less than one week (at the time of interview). In

Indonesia, there was limited variation by socio-demographic factors on the ability to face an unexpected income shock.

Figure 3.4. Financial resilience – Ability to cope with an unexpected income shock

Percentage of respondents who could continue to cover living expenses, without borrowing any money or moving house in the case they had lost their main source of income



Note: N= 1200 for each of the three countries. 3600 for countries average.
Question: If you had lost your main source of income today / in December 2019 (before the COVID-19 pandemic), how long could you continue to cover your living expenses, without borrowing any money or moving house? Choose the reply that most applies to you.
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

Consumers' experience and perceptions of support measures relating to digital transactions, consumer credit and insurance

Use of digital payments and take-up of support measures on credit and insurance

Digital payments and transactions

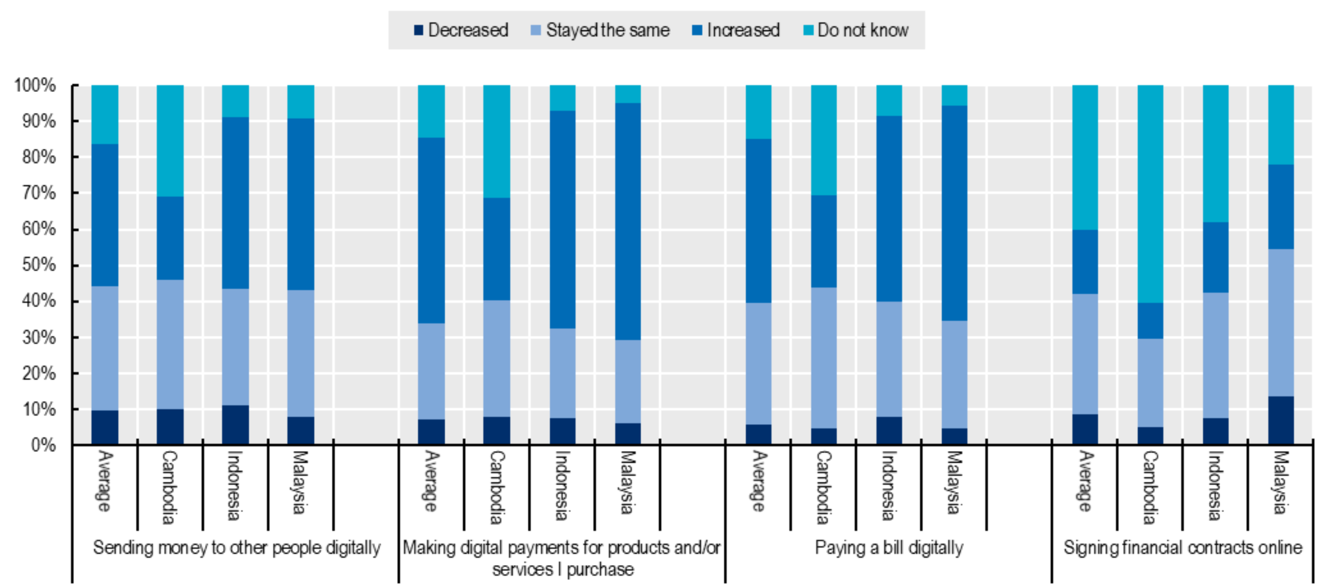
As discussed in Chapter 2, governments, central banks and financial services providers put in place various measures to help people make digital payments during the pandemic. For example, encouraging consumers to pay for goods at a shop on a debit or credit card rather than with cash, increasing the limit for some contactless payments, or allowing people to make more payments online.

Figure 3.5 shows the changes in the usage of digital payments and transactions since the start of the COVID-19 pandemic (i.e., since the start of 2020). The results show similar changes in the usage of digital payments and transactions among consumers in Malaysia and Indonesia. In both countries, large percentages of respondents have indicated that they increased digital payments for products and services (66% of respondents in Malaysia and 60% in Indonesia) and for paying bills online (60% in Malaysia and 51% in Indonesia). Almost 50% of respondents in both countries also indicated that they are sending money to people by digital means more than before the pandemic. The extent of signing contracts online did not change much in the three countries, also because most people do not sign new financial contracts very often.

When taking into account socio demographic variables, in Cambodia, the increase in digital payments has been relatively less pronounced for women, people with low-education levels, and older age groups than for the population on average. In Malaysia, digital payments/transactions have increased for almost all groups, and especially for full-time employees, residents in large cities as well as medium and high-income groups. In Indonesia, the increase is digital payments has been relatively larger for full-time employees and higher income groups, compared to the rest of the population.

Figure 3.5. Changes in the usage of digital payments/transactions

Percentage of respondents indicating how they have changed the following behaviours since the start of the COVID-19 pandemic.

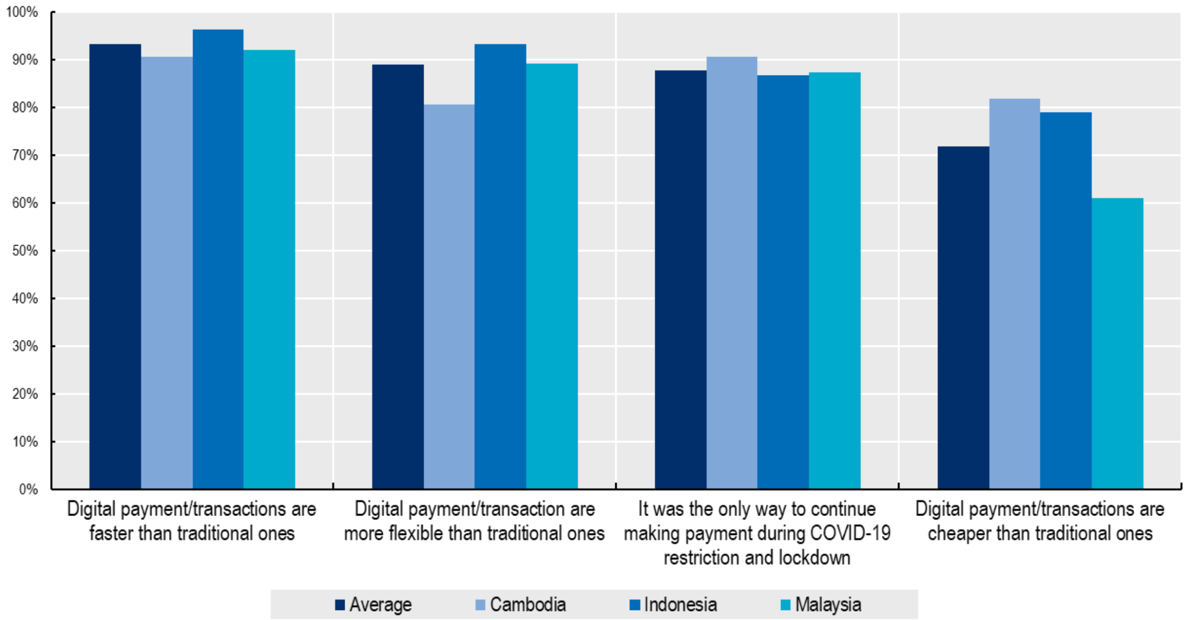


Note: N= 1200 for each of the three countries. 3600 for countries average.
Question: Q9: "Since the start of the COVID-19 pandemic (i.e. since the start of 2020), could you indicate if you have changed how you make purchases or transactions in any of the following ways".
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

Figure 3.6 shows the reasons for increasing digital payments/transactions. Respondents in the three countries mentioned the speed and flexibility of digital payments/transactions as the main reasons for increasing their use. Most respondents also acknowledged that digital means were the only way to make payments during COVID-19 restrictions and lockdowns.

Figure 3.6. Reasons for increasing the use of digital payments/transactions

Percentage of respondents mentioning the indicated reason for increasing their use of digital payments/transactions



Note: Base: respondents who increased the use of at least one type of digital payments/transactions. N= 411 for Cambodia, N=765 for Indonesia, N=897 for Malaysia, N= 2073 for countries average.
Question: Q11"You mentioned that some types of digital payments/transactions increased for you. Could you indicate why?".
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

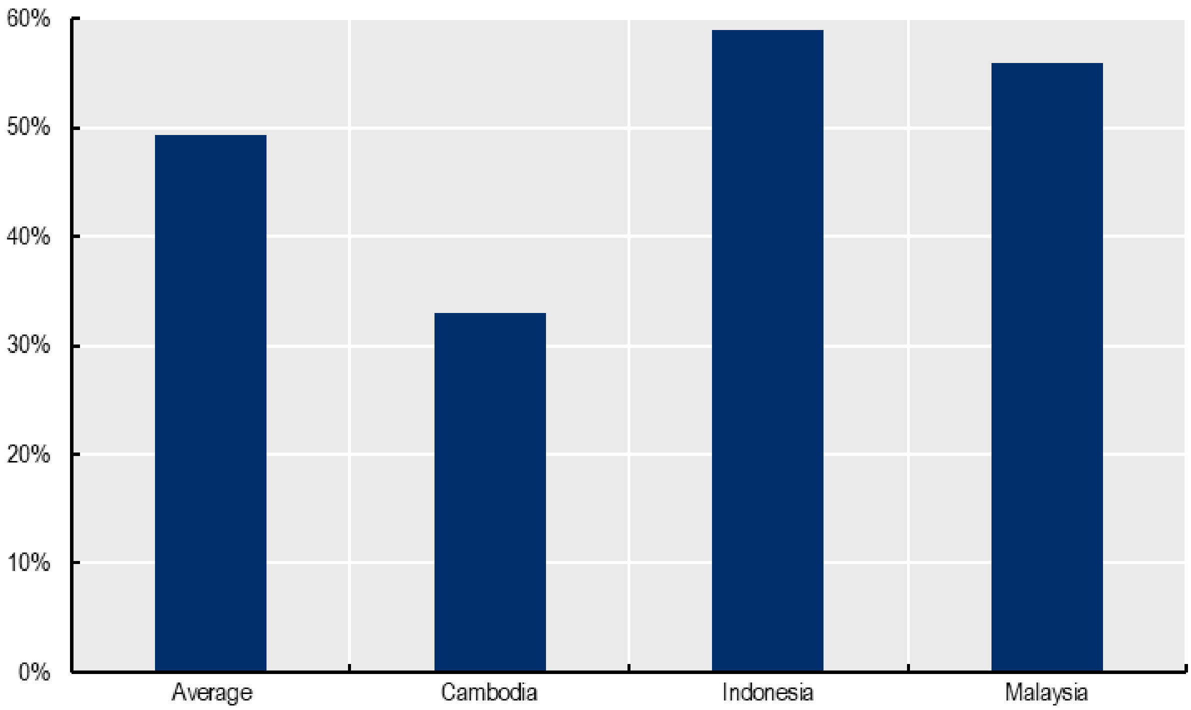
Credit support measures

As discussed in Chapter 2, various sectoral measures have been implemented by policy makers, public authorities and financial services providers to maintain access to necessary credit for households, and to reduce the likelihood of both default on existing borrowing and the possibility of weakened credit scores from delaying repayments. Measures implemented in Cambodia, Malaysia and Indonesia are detailed in Chapter 2.

Figure 3.7 shows the percentages of respondents using the measures to support people with loans including bank loans, credit cards and other loans ("credit measures"). The measures were used by more than half of the respondents in both Malaysia (56%) and Indonesia (59%). They were taken up less in Cambodia, where one third of the respondents used them.

Figure 3.7. Use of credit support measures

Percentage of respondents using the measures to support people with loans including bank loans, credit cards and other loans ("credit measures")



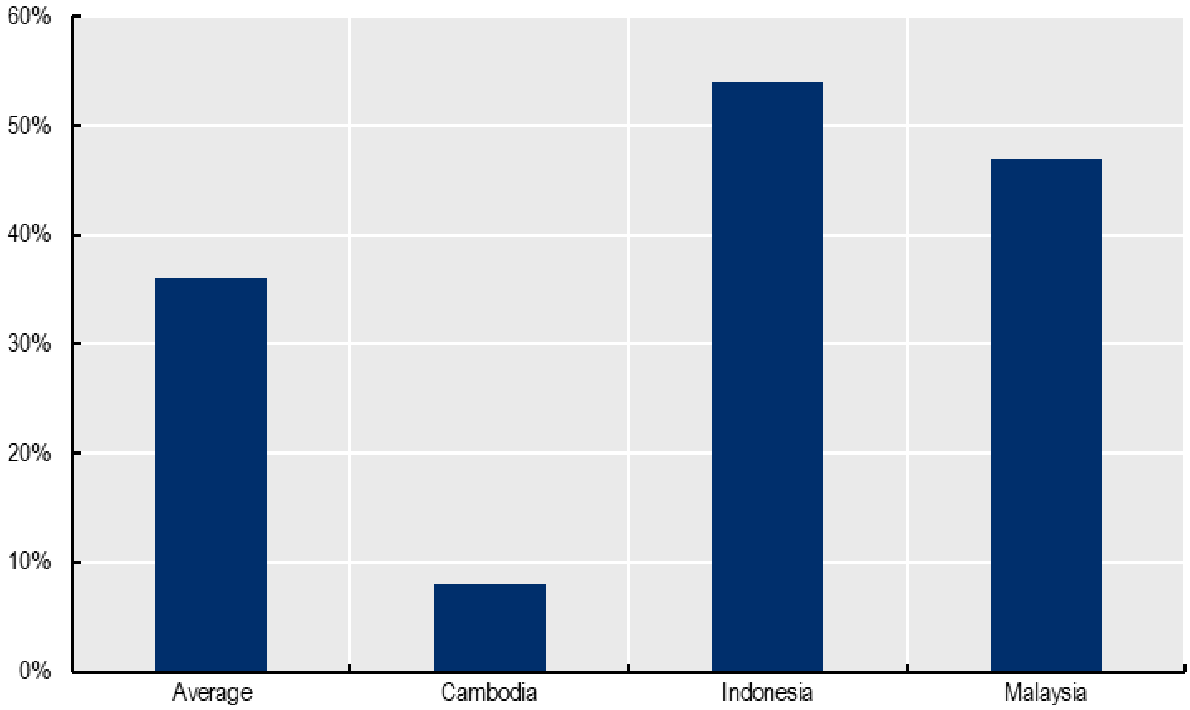
Note: N= 1200 for each of the three countries. 3600 for countries average.
Question: Q2 "Did you take up or use any of the following measures to support people with loans including bank loans, credit cards and other loans ("credit measures") that were implemented in your country?".
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

Insurance support measures

As discussed in Chapter 2, policy-makers, public authorities and financial services providers have adopted policy measures to ensure that consumers could continue to access insurance and maintain their insurance cover during the pandemic. Measures implemented in Cambodia, Malaysia and Indonesia are detailed in Chapter 2. Figure 3.8 shows the use of insurance support measures in the three countries. More than 50% of respondents in Indonesia and Malaysia reported using insurance support measures, with 8% of respondents in Cambodia reported doing so.

Figure 3.8. Use of insurance support measures

Percentage of respondents using measures to support people with insurance policies including health insurance, car insurance and home insurance ("insurance measures")



Note: N= 1200 for each of the three countries. 3600 for countries average.
Question: Q2 "Did you take up or use any of the following measures that were implemented in your country to support people with insurance policies including health insurance, car insurance and home insurance ("insurance measures")?".
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

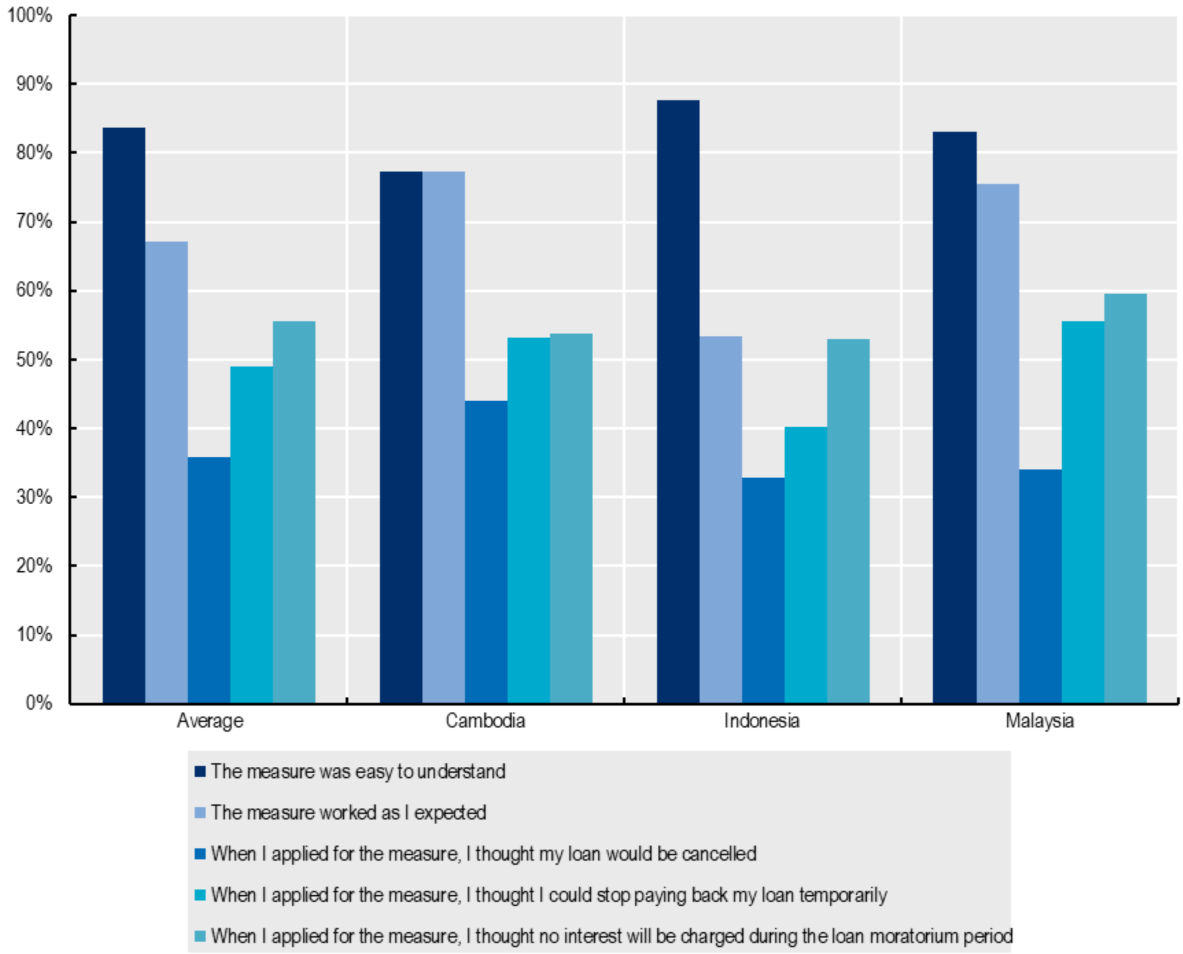
Consumers' understanding, perceptions and appreciations of support measures

Credit support measures

Figure 3.9 shows consumers' understanding and appreciation of credit support measures. Measures were usually considered easy to understand by a large majority of respondents in the three countries. Most respondents also though that such measures were working as they has expected. However, one third of respondents in Indonesia and Malaysia, and almost half of respondents in Cambodia thought that the support measures would lead to a loan cancellation (which was typically not the case).

Figure 3.9. Understanding and appreciation of credit support measures

Percentage of respondents who used credit measures and agreed with the indicated statements

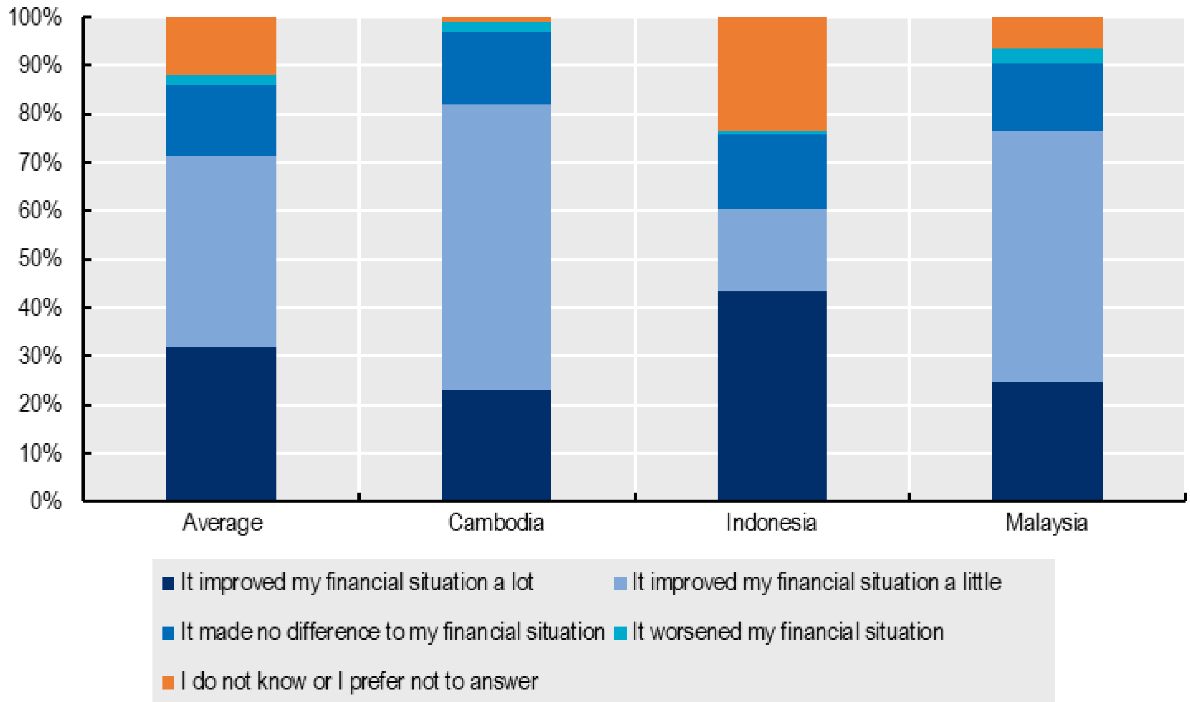


Note: Base: respondents who used the credit support measures. N=393 for Cambodia, N= 705 for Indonesia, N=678 for Malaysia, N= 1776 for countries average.
Question: Q13 “At the beginning of the survey you mentioned that you used some of the special support or relief measures offered by public authorities or financial institutions to help you manage your loans. Could you indicate whether you agree with the following statements?”.
Source: OECD survey to measure the impact of the COVID- 19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

Figure 3.10 shows the self-reported effect of credit support measures on respondents’ financial situation. The credit support measures have been strongly appreciated by the consumers in the three countries who used them. In Cambodia, 80% of the respondents reported that the measures had a positive effect on their financial situation. In Malaysia, credit measures had a positive effect on the financial situation of more than three quarters of the respondents. In Indonesia, 60% of the respondents reported that the credit support measures improved their financial situation.

Figure 3.10. Effect of credit support measures on respondents' financial situation

Percentage of respondents who reported the following impact of the credit support measures on their financial situation



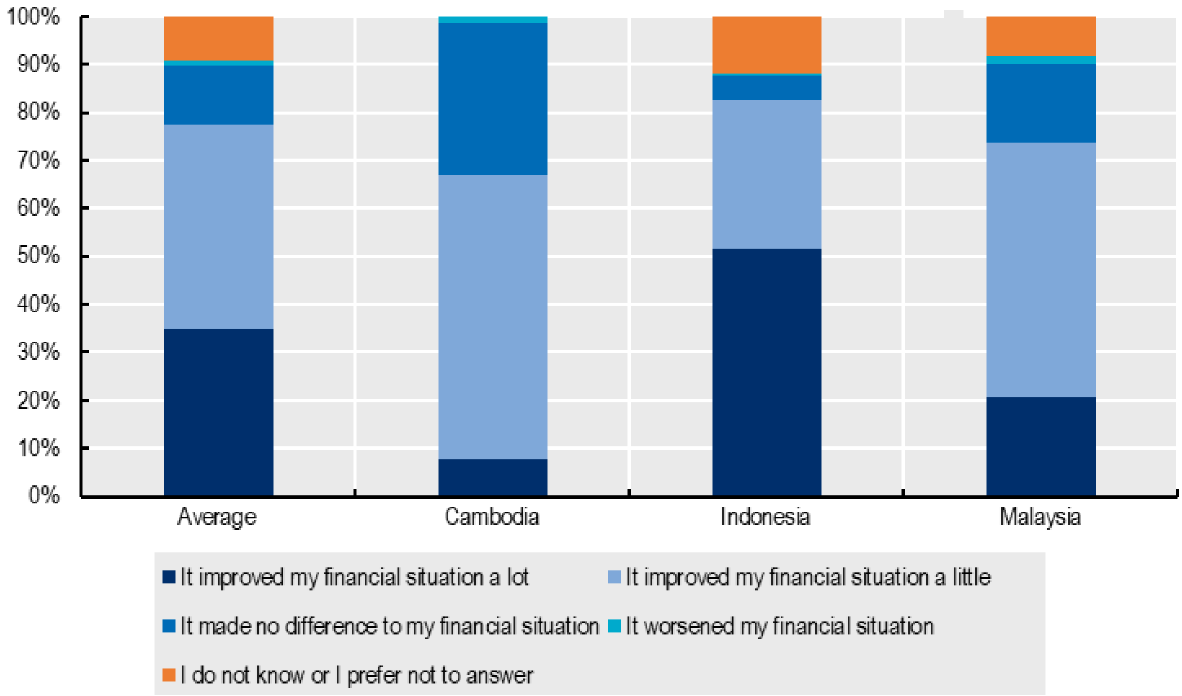
Note: Base: respondents who used the insurance support measures. N=383 for Cambodia, N= 705 for Indonesia, N=678 for Malaysia, N= 1766 for countries average.
Question: Q14: "Was the special credit support or relief measure you used helpful to improve your financial situation during the COVID-19 pandemic? (for instance by reducing your expenses for loan repayments, or by making it easier and cheaper to manage your credit obligations)".
Source: OECD survey to measure the impact of the COVID- 19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

Insurance support measures

Figure 3.11 shows the self-reported effect of insurance support measures in the three countries. On average, the large majority of consumers who used the insurance measures reported that such measures led to improvements in their financial situation

Figure 3.11. Effect of insurance support measures on respondents' financial situation

Percentage of respondents who reported the following impact of the insurance support measures on their financial situation



Note: Base: respondents who used the insurance support measures. N=98 for Cambodia, N=645 for Indonesia, N= 564 for Malaysia, N=1307 for countries average.
Question: Q16: "At the beginning of the survey you mentioned that you used some of the special support or relief measures offered by public authorities or financial institutions to help you manage your insurance contracts. Was this special support helpful to improve your financial situation during the COVID-19 pandemic?".
Source: OECD survey to measure the impact of the COVID- 19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

Factors that limited use of digital payments/transactions and take-up of support measures

Factors that limited the use of digital payments and transactions

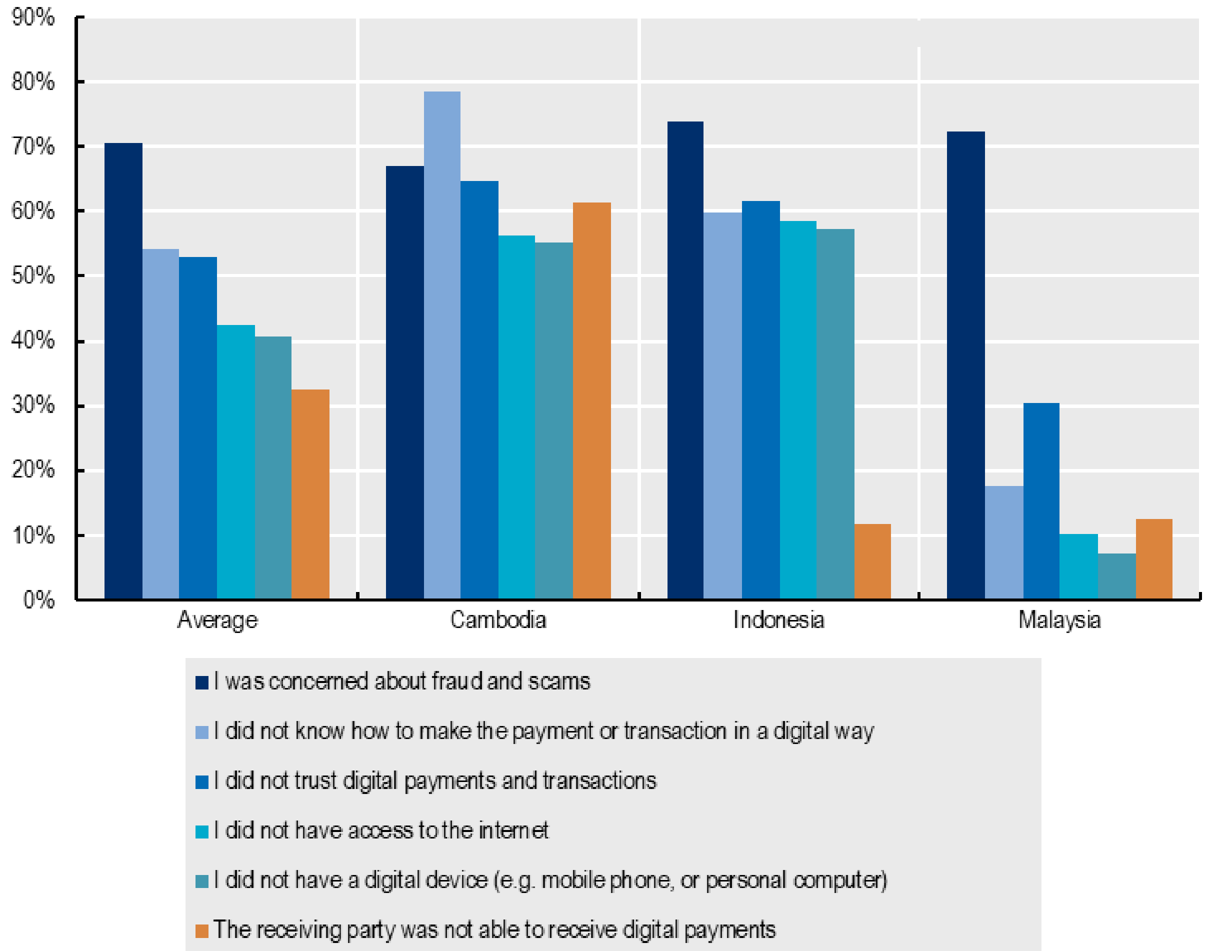
As indicated in Figure 3.5 above, not all consumers increased their use of digital payments and transactions. Figure 3.12 shows the main reasons mentioned for not increasing digital payments/transactions among consumers who indicated that all types of digital payments/transactions remained stable or decreased for them.

Concerns about fraud and scams was the main reason for the decreased or stable use of digital payments/transactions in Malaysia and Indonesia. Limited knowledge of how to make digital payments and limited trust toward digital financial service providers were also cited by over 60% of respondents in Indonesia.

In Cambodia, the single most cited reasons for not increasing digital payments was limited knowledge on how to make digital payments (almost 80% of respondents). Many respondents (over 60%) also cited limited trust and concerns about fraud and scams. Lack of access to digital devices and to the internet was mentioned by over 50% of respondents in Cambodia and Indonesia.

Figure 3.12. Reasons for not increasing the use of digital payments/transactions

Percentage of respondents mentioning the indicated reason for not increasing the use of digital payments/transactions (multiple responses were possible)



Note: Base: respondents who indicated that all types of digital payments/ transactions remained stable or decreased for them. N= 247 for Cambodia, N=162 for Indonesia, N=188 for Malaysia, N= 597 for countries average.
Question: Q10 "You mentioned that your use of digital payments/transactions stayed the same or decreased for you. Could you indicate why?".
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

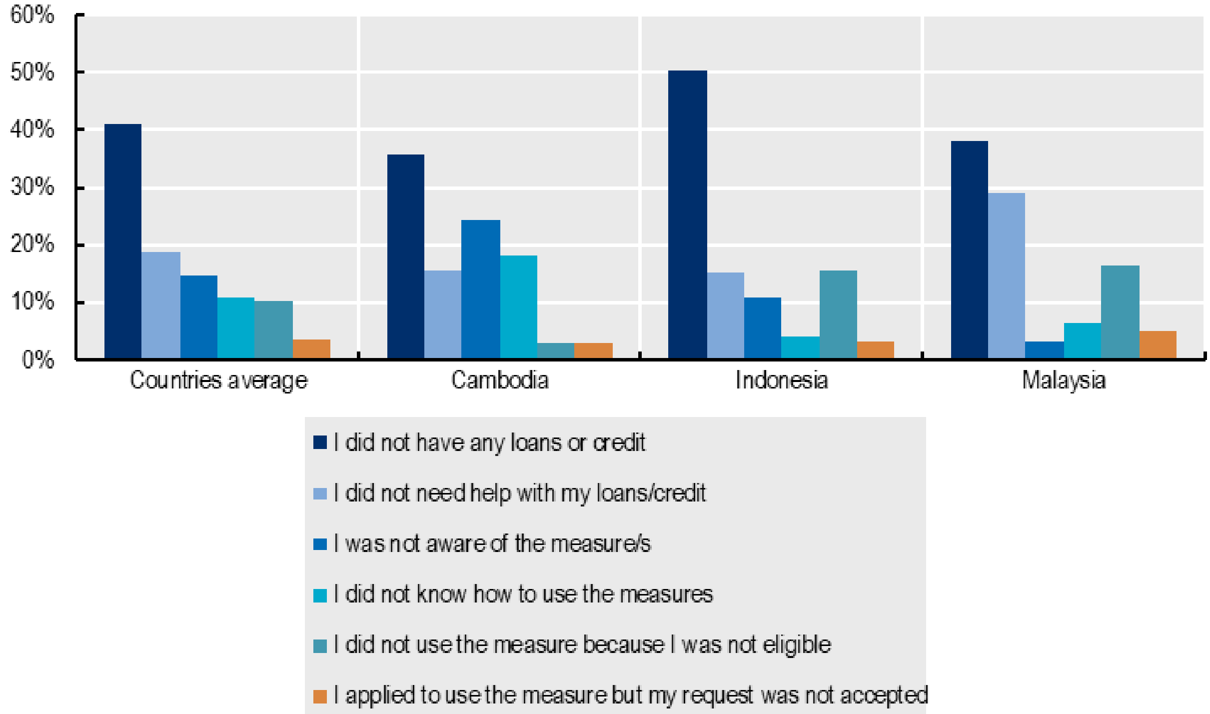
Factors that limited the use of credit support measures

Figure 3.13 shows the main reasons for not using credit measures. The absence of loans or credit was the main reason cited by most respondents for not using credit support measures in the three countries.

In addition to this, sizeable proportions of respondents mentioned lack of awareness about the measures, and lack of knowledge on how to use them. In particular, in Cambodia, almost a quarter (24%) of the respondents was not aware of the credit measures in place, and almost a fifth (18%) did not know how to use the measures.

Figure 3.13. Reasons for not using credit support measures

Percentage of respondents who did not use credit support measures for the indicated reason.



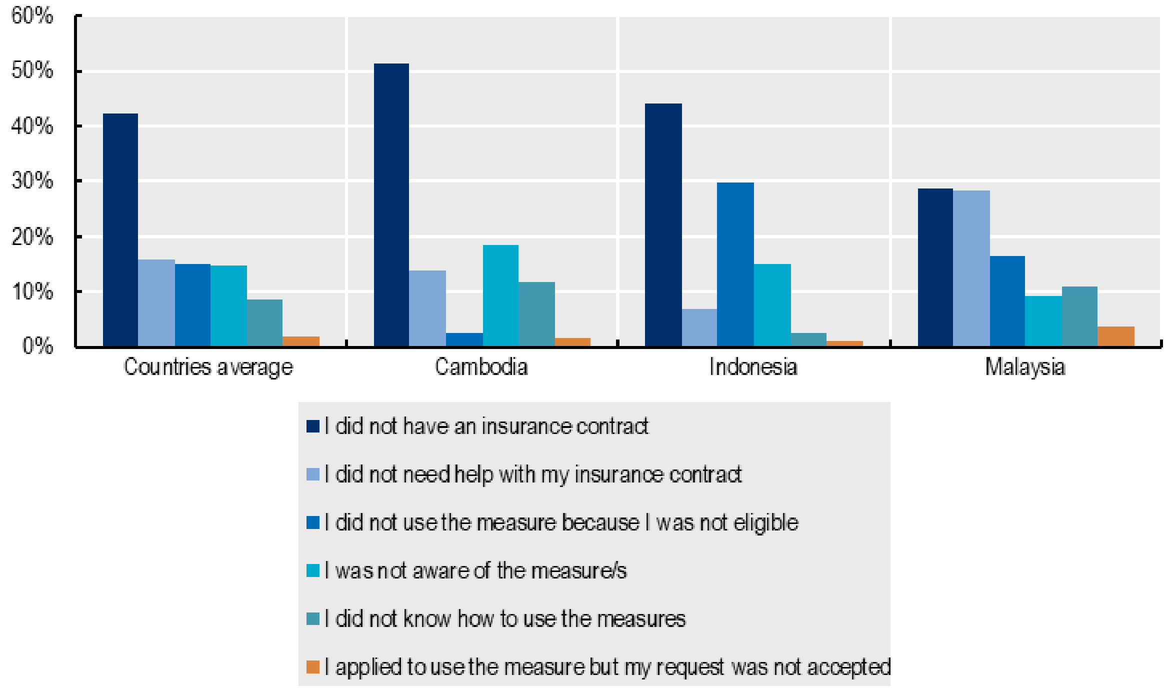
Note: Base: respondents who did not use the credit support measures. N= 615 for Cambodia, N=444 for Indonesia, N=350 for Malaysia, N= 1409 for countries average.
Question: Q12 "At the beginning of the survey you mentioned that you did not use any special support or relief measures offered by public authorities or financial institutions to help you manage your loans. Why did you not use these measures?".
Source: OECD survey to measure the impact of the COVID- 19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

Factors that limited the use of insurance support measures

Figure 3.14 shows the main reasons for not using insurance support measures, as mentioned by consumers who did not use such measures. The main reason was the absence of insurance contracts. In Cambodia, almost one fifth (18%) of respondents were not aware of the insurance measures put in place, possibly also because insurance products and consequently insurance support measures tend not to be as abundant in Cambodia, compared to the other countries in the survey. In Malaysia, about 9% were not aware and about 11% did not know how to use the measures.

Figure 3.14. Reasons for not using insurance support measures

Percentage of respondents who did not use insurance support measures for the indicated reason



Note: Base: respondents who did not use the insurance support measures. N=617 for Cambodia, N= 458 for Malaysia, N=474 for Indonesia, N= 1549 for countries average.
Question: Q15 "At the beginning of the survey you mentioned that you did not use any special support or relief measures offered by public authorities or financial institutions to help you manage your insurance contracts. Why did you not use the insurance measures?".
Source: OECD survey to measure the impact of the COVID- 19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

The role of digital and financial literacy and education

Levels of financial literacy and familiarity with digital and financial technologies

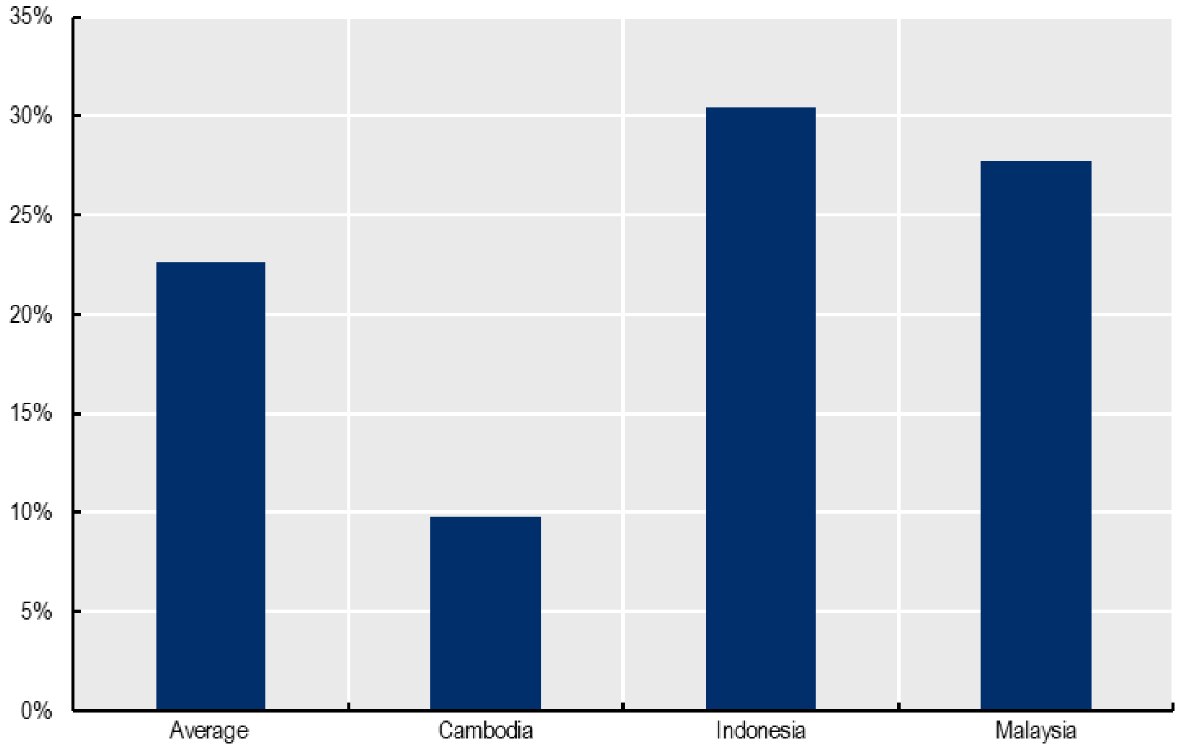
The survey also included questions to gauge respondents' level of financial literacy and familiarity with digital and financial technologies.

The measurement of financial literacy is based on questions taken from the OECD/INFE Toolkit for measuring financial literacy and financial inclusion (OECD, 2018[38]), focusing on a selected set of questions in order to limit the duration of the survey. On average across the three countries, respondents tended to display relatively financially savvy behaviours: 85% reported that they carefully considered whether they can afford something before making a purchase, and around 70% of respondents reported that they keep a close personal watch on their financial affairs, set long term financial goals and strive to achieve them, and pay their bills on time. In terms of financial attitudes, fewer than half of respondents displayed long term financial attitudes (as captured by disagreeing with the statements "I find it more satisfying to spend money than to save it for the long term" and "I tend to live for today and let tomorrow take care of itself"). When looking at financial knowledge, 58% of respondents, on average, correctly identified that the statement "If someone offers you the chance to make a lot of money it is likely that there is also a chance that you will lose a lot of money" is true, and 76% correctly identified that the statement "High inflation means that the cost of living is increasing rapidly" is also true.

Figure 3.15 shows the percentage of respondents in the three countries that have given "financially literate" responses to at least 7 out of the 8 questions described above. These respondents are described as having high financial literacy. While levels of financial literacy are relatively low in all countries, with only 23% of respondents on average displaying a high score, financial literacy levels are relatively higher in Indonesia and Malaysia than in Cambodia.

Figure 3.15. Levels of financial literacy

Percentage of respondents that have high financial literacy (have given at least 7 financially literate answers out of 8)



Note: N= 1200 for each of the three countries. 3600 for countries average.
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

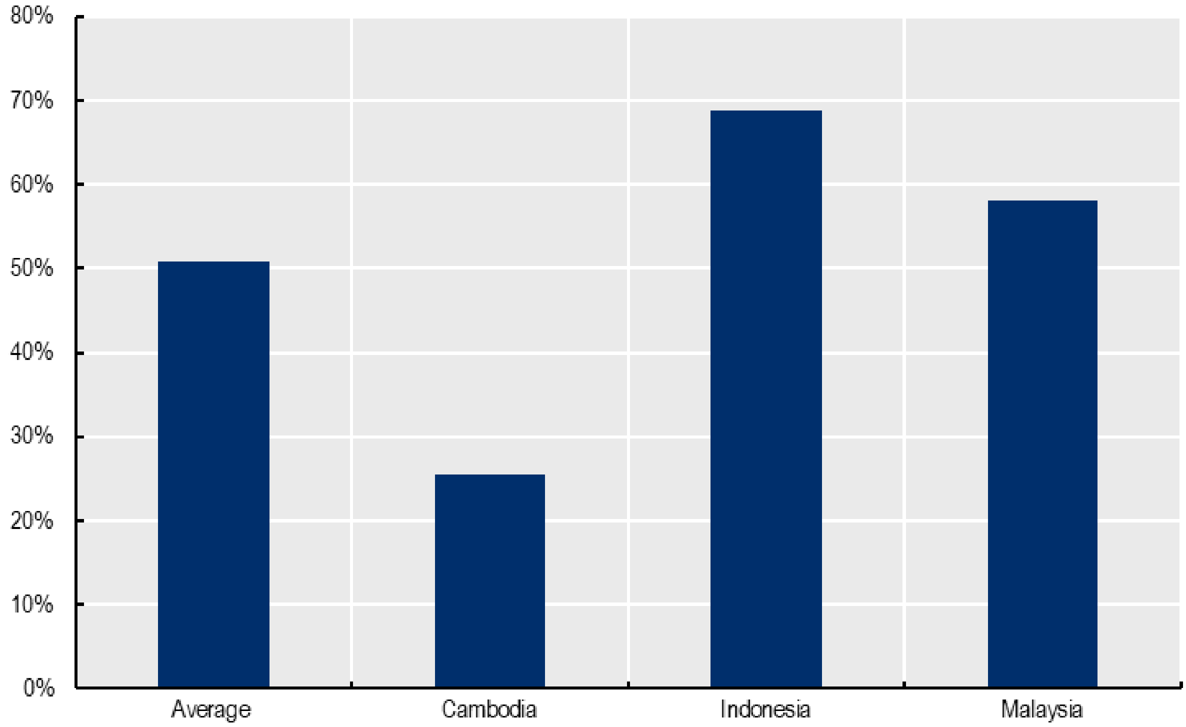
The survey also looked at respondents' familiarity with digital and financial technologies, by asking how easy it was for them to use or do the following actions related to digital skills and use of basic digital financial services: using a mobile phone, using emails, using a personal computer, using an ATM, transferring money via a mobile device (e.g. a mobile phone), transferring money online, and buying goods online.

On average across the three countries, over 90% of respondents were at ease using a mobile phone; over 70% were at ease using emails, using an ATM, transferring money via a mobile phone, transferring money online, and buying goods online; and around 65% reported being at ease using a personal computer.

Figure 3.16 shows the percentage of respondents with a high familiarity with digital and financial technologies, as they indicated that all of the 7 actions are very easy or somewhat easy for them. On average across the three countries, around half of the sample was at ease with these tasks. More respondents reported being at ease with digital and financial technologies in Indonesia and Malaysia than in Cambodia.

Figure 3.16. Levels of familiarity with digital and financial technologies

Percentage of respondents that have high familiarity with digital and financial technologies (they have indicated that all of the 7 actions are very easy or somewhat easy for them)



Note: N= 1200 for each of the three countries. 3600 for countries average.
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

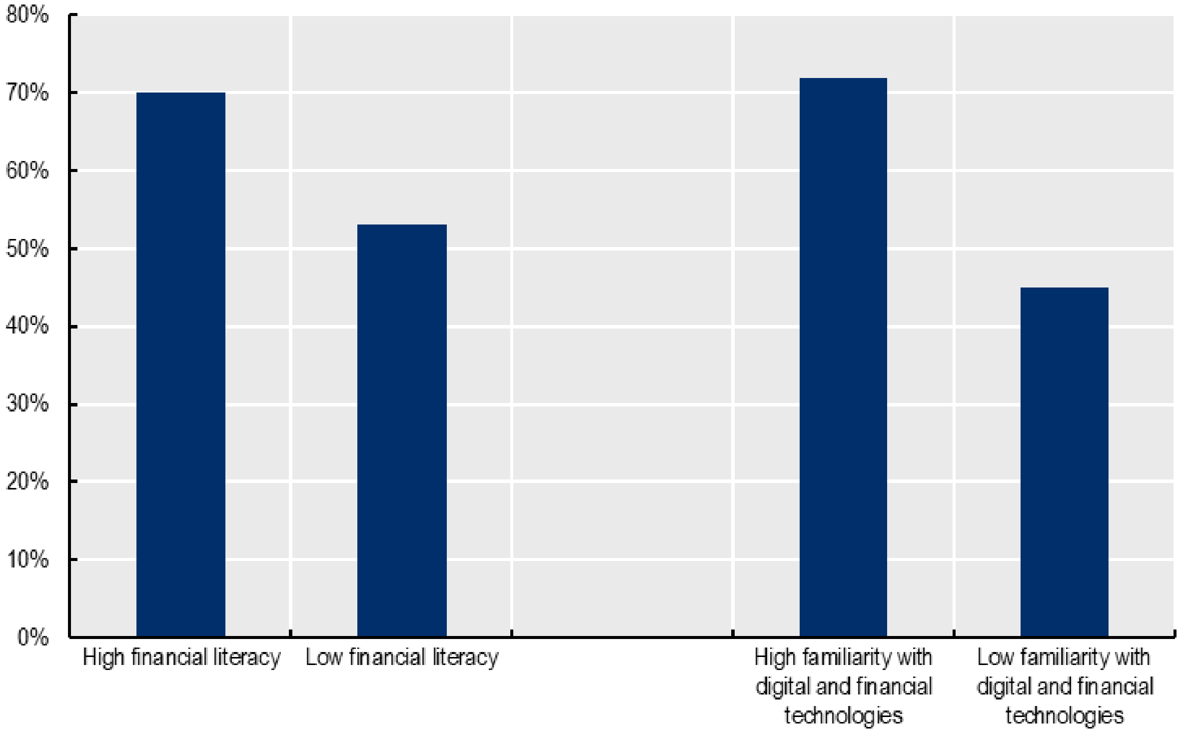
Financial and digital skills and the take-up of digital financial services and support measures

The survey shows that financial literacy and familiarity with digital and financial technologies may have had a role in supporting financial behaviour during the COVID-19 pandemic.

Figure 3.17 shows the relationship between digital payments, financial literacy, and familiarity with digital and financial technologies. In particular, it shows that respondents with higher financial literacy, and higher familiarity with digital and financial technologies have been more likely to increase their use of digital payments since the start of the COVID-19 pandemic (i.e., since the start of 2020) with respect to respondents with lower skills. This corroborates the idea that digital and financial skills have been important in allowing consumers to cope with the restrictions imposed during the pandemic, and in benefiting from the opportunities offered by digitalisation.

Figure 3.17. Increasing digital payments, by financial literacy and familiarity with digital and financial technologies

Percentage of respondents that have increased their digital payments since the start of the COVID-19 pandemic, by levels of financial literacy and familiarity with digital and financial technologies



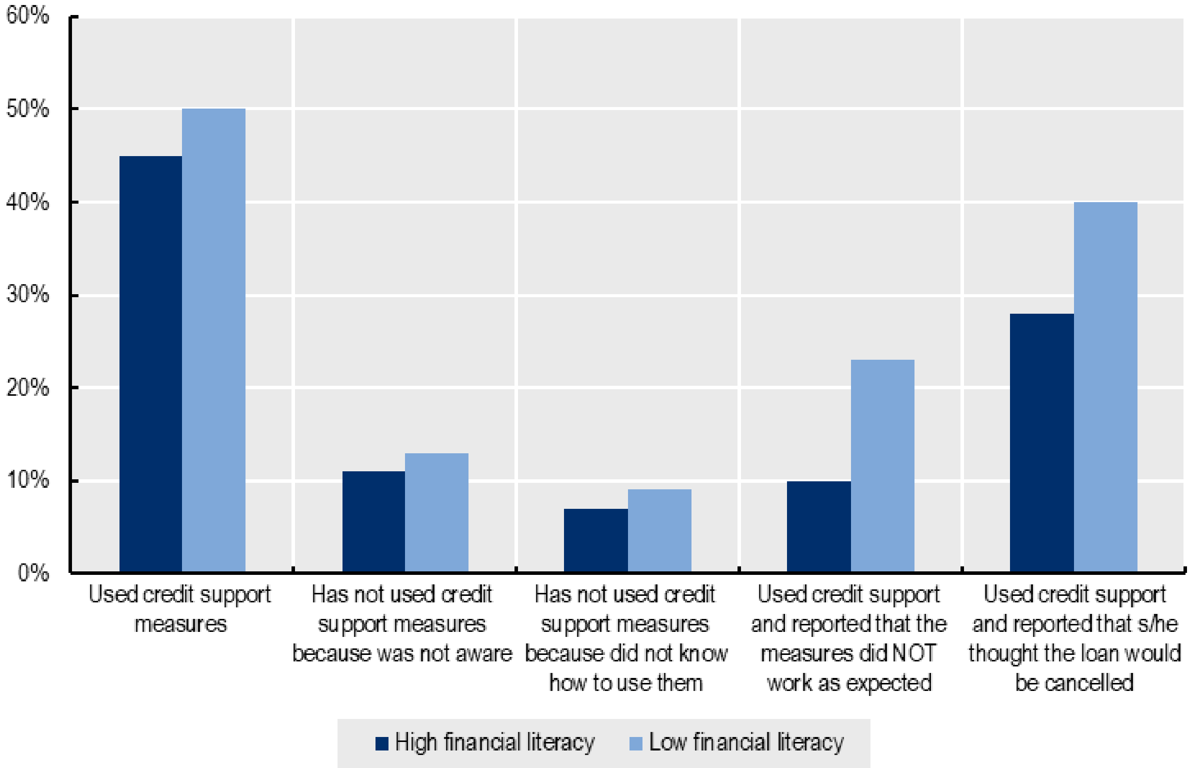
Note: N= 1200 for each of the three countries. 3600 for countries average.
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

Figure 3.18 looks at various responses in relation to the take-up and use of credit support measures, and their relationship with levels of financial literacy. Respondents with lower levels of financial literacy appeared to be more likely to use credit support measures, possibly because financial literacy tends to be associated with higher income and wealth. Among the respondents who have not used credit support measures, those with lower levels of financial literacy were more likely to report that they did not use such measures because they were not aware or because they did not know how to use them. Among the respondents who did use the credit support measure, those with lower levels of financial literacy appeared not to understand how the measures were working (because they either reported that the measure was not working as expected, or because they thought that their loan would be cancelled entirely – which was typically not the case). Overall, the results in the figure suggest that financial literacy had a role in ensuring awareness and a correct understanding of the support measures were working.

The relationship between insurance measures and financial literacy is not reported because the results show limited variation in the take-up and use of insurance support measures by levels of financial literacy.

Figure 3.18. Relationship between credit measures and financial literacy

Percentage of respondents that have made the choices indicated in the figure, by levels of financial literacy



Note: Base: First set of bars: all respondents. Second and third set of bars: respondents who have not used credit support measures. Fourth and fifth set of bars: respondents who used the credit support measures.
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

Looking for financial information and advice

As discussed in Chapter 2, the provision of financial information and education played an important role in supporting the effective use of policy support measures during the COVID-19 pandemic. Public authorities and other stakeholders have contributed significantly to inform consumers about the availability of various forms of support, and to direct them towards reliable sources of financial education to support their financial decision-making during difficult times.

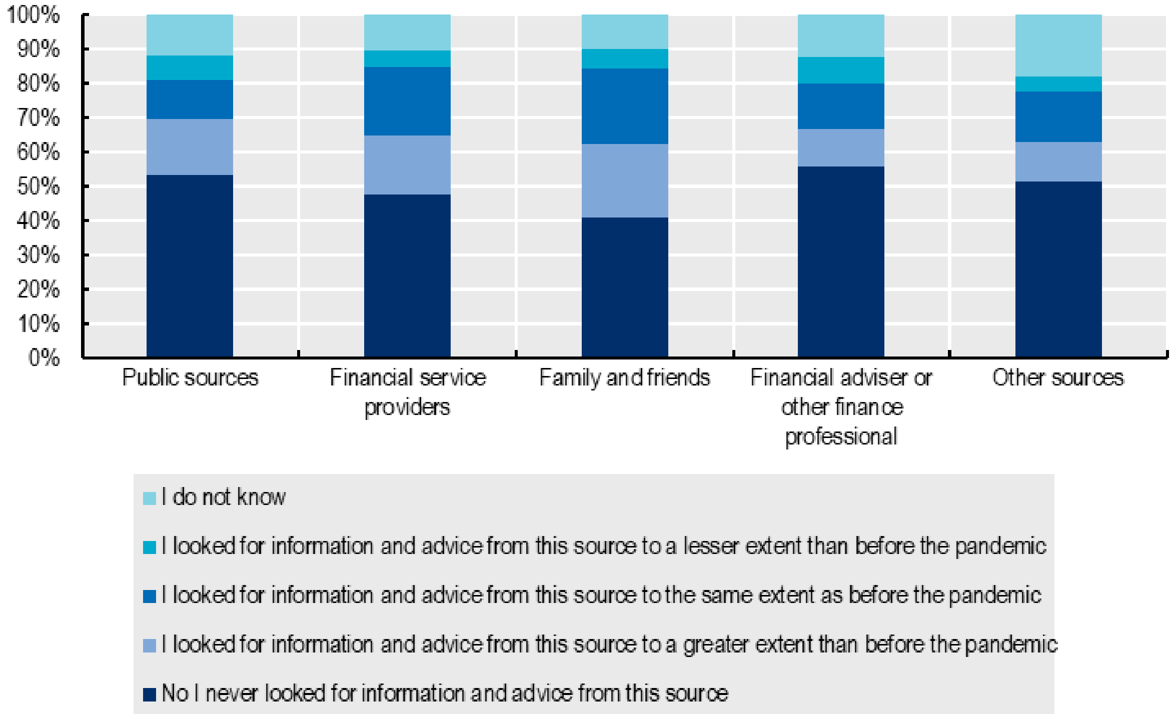
The survey asked respondents whether they sought information and advice about personal money management during the pandemic and whether they did so to a larger, same or smaller extent compared to before the pandemic.

Figure 3.19 shows that, on average across the three countries, over 40% of respondents have not looked for financial information and advice from any source. Around 10-20% (depending on the sources) have looked for financial information and advice to the same extent as they were doing before the pandemic. Only about 16% have looked for information from public sources (such as the websites of financial regulators, or the websites of the national strategies for financial literacy, where available) to a greater extent than before the pandemic.

However, Figure 3.20 shows that the extent of looking for financial information and advice varied consistently by levels of financial literacy. On average across the three counties, respondents with lower levels of financial literacy were more likely to report that they never looked for information from public sources and from financial services providers. Respondents with high financial literacy were more likely to have looked for information from all the sources to a greater extent compared to low financial literacy adults.

Figure 3.19. Looking for financial information and advice

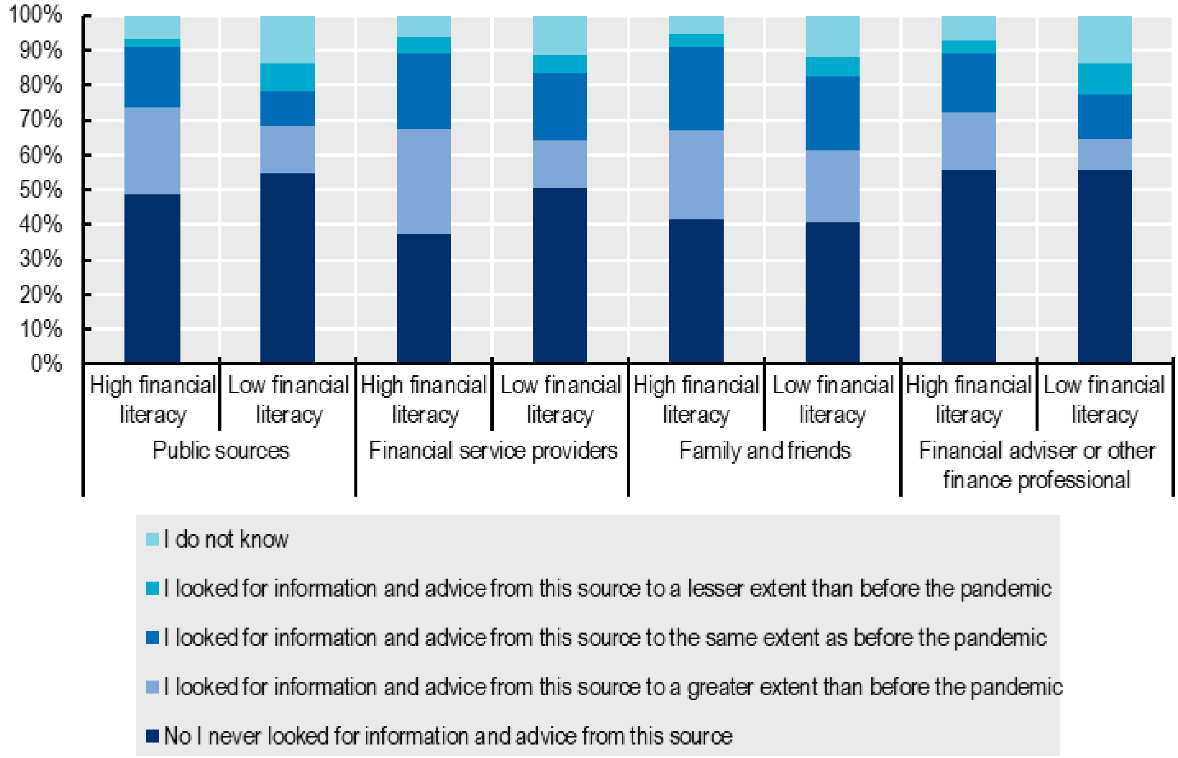
Percentage of respondents who have sought information and advice to manage their personal financial situation from the following sources since the beginning of the COVID-19 pandemic



Note: N= 1200 for each of the three countries. 3600 for countries average.
Question: Since the beginning of the pandemic (i.e. since the start of 2020), did you seek information and advice to manage your personal financial situation from the following sources?
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

Figure 3.20. Looking for financial information and financial literacy

Percentage of respondents who have sought information and advice to manage their personal financial situation from the following sources since the beginning of the COVID-19 pandemic, by levels of financial literacy



Note: N= 1200 for each of the three countries. 3600 for countries average.
Question: Since the beginning of the pandemic (i.e. since the start of 2020), did you seek information and advice to manage your personal financial situation from the following sources?
Source: OECD survey to measure the impact of the COVID-19 pandemic on the personal financial situation and resilience of financial consumers in Asia.

4 Conclusions and policy considerations

This section sets out high-level policy conclusions arising from the findings of the survey, for consideration by policy makers and public authorities in Asia when developing and implementing financial literacy and consumer protection policies with the aim of supporting consumers' long-term financial resilience and well-being under the evolving context of the COVID-19 pandemic.

In response to the COVID-19 pandemic, public authorities and other stakeholders put in place a wide range of measures to support financial inclusion and protect consumers, with the ultimate goal of supporting their financial resilience and well-being. This report provides evidence to inform potential considerations for policy makers on the effectiveness of policy measures taken as well as for the effective development of financial education, inclusion and consumer protection approaches in the long-term. With this in mind, this section proposes a series of policy suggestions for consideration.

Collection of data, especially consumer data, is essential to inform and design policy responses

This report highlights that demand-side data is essential to a proper understanding of how the COVID-19 pandemic has impacted the financial well-being and resilience of financial consumers. Also, such data is important to understand attitudes, behaviours and experiences among financial consumers during the COVID-19 pandemic. This provides an evidence base that will allow for reflection on the lessons learnt and inform potential considerations for policy makers on the effectiveness of policy measures taken as well as for the effective development of financial inclusion, education and consumer protection approaches in the long term.

It is important that policy makers continue to collect data on the impact of the COVID-19 pandemic on consumers, on consumers' use, perceptions and experiences of policy measures, and on the impact of such measures on the financial literacy and financial resilience of consumers. This is critical to inform ongoing policies to support consumers' financial well-being. Relevantly, the updated OECD/INFE 2022 Toolkit for Measuring Financial Literacy and Financial Inclusion is available to policy makers and stakeholders in preparation for a new coordinated survey in 2022/23 (OECD, 2022[39]). In particular, the updated survey includes tools to measure the financial literacy, digital financial literacy and financial resilience of consumers around the world in an internationally comparable way.

Policy measures on credit and insurance were important to support consumers' financial resilience and well-being, and phasing out of such support needs careful consideration

The report suggests that the support measures in relation to credit and insurance put in place by policy makers and other stakeholders during the COVID-19 pandemic were useful and appreciated by consumers. Countries should consider how to make sure they remain relevant and carefully consider whether and/or how to phase them out in ways that do not affect negatively on consumers' financial resilience and well-being.

The analysis has also confirmed that financial literacy is essential to facilitate access to and use of support measures by consumers. Continued efforts to improve financial literacy in Asia is essential to make sure that consumers are aware and understand the implications of public policy and support available. The Recommendation of the OECD Council on Financial Literacy (OECD, 2020[26]) presents a single, comprehensive instrument on financial literacy to assist governments, other public authorities, and relevant stakeholders in their efforts to design, implement and evaluate financial literacy policies. As part of a holistic approach to financial consumer issues, financial literacy, together with improved financial access, adequate consumer protection, and regulatory frameworks, are expected to support financial resilience and well-being.

Quick and flexible hardship arrangements support financial resilience and longer-term recovery

The overall results of the report underscore the importance of financial consumer protection policies and in particular of having in place effective and responsive arrangements for preventing hardship, tackling fraud and scams and increasing trust in financial services.

The pandemic has highlighted how quickly the financial situation can change for consumers, rendering them at risk of suffering financial hardship, and that some groups of consumers, including low-income people, women, and young or elderly consumers, can be particularly vulnerable. Financial consumer protection policies and measures should pay particular attention to the needs of consumers who may be experiencing vulnerability.

In addition, financial consumer protection oversight authorities should consider taking relevant actions and work with other stakeholders to tackle financial frauds and scams. This has risen in importance given the increased reliance on digital technologies during the COVID-19 pandemic. In support of these objectives and of greater digital financial inclusion, financial consumer protection policies should also continue to address issues that may limit consumers' use and trust towards digital financial services.

Integrating such arrangements into financial consumer protection frameworks will prepare jurisdictions for future crises. All of these issues are being considered as part of the review and revision of the G20/OECD High-Level Principles on Financial Consumer Protection (OECD, 2011[9]).

Education and communication are essential to a multi-stakeholder and coordinated approach

Supporting consumers' financial inclusion, resilience and well-being in the context of the COVID-19 pandemic has required a multi-stakeholder and coordinated approach, bringing together public authorities and policy makers with different responsibilities, and working closely with financial service providers and all relevant stakeholders.

In this context it has been more important than ever not only that support measures were well coordinated among different stakeholders, but also that they were clearly communicated, so that consumers could know they were available and how to use them. The report also highlights that consumers should also have sufficient levels of financial literacy to understand how to use support measure to their benefit. As this report highlights, support measures have been essential to improve outcomes for financial consumers, and awareness and understanding of the measures has also been important for their take-up and effectiveness. This policy suggestion applies to relief measures implemented in the event of a large-scale crisis such as the COVID-19 pandemic, and also to individual cases of financial hardship.

The importance of clear communication and of a multi-stakeholder and coordinated approach, to address issues and improve consumer understanding of support measures available, has been observed in many countries and concluded in numerous other reports (OECD, 2021[5]; OECD, 2021[4]; GPFI, 2021[1]). It is also being considered as part of the review and revision of the G20/OECD High-Level Principles on Financial Consumer Protection (OECD, 2011[9]).

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Annex A. Survey instrument

Section 1. Screening

1. Do you or any of your family members work or operate a business in any of the following industries? [M] [stop interview if answers are a - e, continue if answer is f]
    a. Advertising agency
    b. Market research agency
    c. Public relations or media firm Journalism/ broadcasting
    d. Banking/insurance sector
    e. Investment banking/ fund management
    f. None of the above

[Introduction] During the COVID-19 pandemic, Governments, central banks, and financial service providers put in place various **measures to help people manage their finances**, such the ability to delay monthly loan repayments at no extra charge, loan restructuring, insurance premium deferrals, and better insurance claims handling. This survey is about your use of such measures.

2. Did you **take up or use** any of the following special support or relief measures that were implemented in your country? [select all that apply] [S]
    a. Measures to **support people with loans** including bank loans, credit cards and other loans ("credit measures"). For instance, in your country the following measures have been taken: <insert measure/s specific to the country; plus "Other" category>: Yes / no / don't know
    b. Measures **to support people with insurance policies** including health insurance, car insurance and home insurance ("insurance measures"). For instance, in your country the following measures have been taken: <insert measure/s specific to the country; plus "Other" category>: Yes / no / don't know

Examples for each country

Cambodia

- <u>Credit</u>: <Government initiatives (Cash Transfer Program for poor households, Tax relief and concessionary finance for the private sectors, Garment and Tourism Workers' monthly support, Directive on Loan Restructuring to MFI/Bank), Initiatives by banks (such as Loan-restructuring process, Internal refinancing, payment holidays, period extension), Initiatives by other entities (such as Internal refinancing, Unlocking Cambodian Women's Potential Through Fiscal Space Creation Program)>
- <u>Insurance related initiatives</u>: < AIA Covid Care Program – extend payment of premium for 2 months, and Dai-ichi Life Insurance Cambodia – waive payment of premium for 3 months>

Indonesia

- Credit: <Government led initiatives (such as Bantuan Langsung Tunai (Direct Cash Assistance), Program Pemulihan Ekonomi Nasional (PEN) (Government Aids - National Economic Recovery Program), Bank initiatives (such as: Stimulus credit (disalurkan oleh bank/selain bank), Penundaan angsuran & subsidi bunga 3% selama 3 bulan pertama dan 2% selama 3 bulan berikutnya, Penundaan cicilan pokok dan subsidi bunga selama 6 bulan, Subsidi bunga 6% selama 6 bulan)>
- Insurance: < Subsidi premi BPJS Kesehatan, Penyesuaian premi/kontribusi asuransi, Fasilitas tambahan untuk biaya tes Covid-19, Penghapusan masa tunggu asuransi, Penundaan pembayaran premi asuransi)>

Malaysia

- Credit: <Government led initiatives (Bantuan Keluarga Malaysia, PEMULIH Assistance Package), Bank Negara Malaysia (BNM) led initiatives (i.e. Financial Management & Resilience Programme (URUS), Targeted Repayment Assistance, BNM's Fund for SMEs such as Targeted Relief and Recovery Facility, Agrofood Facility, Business Recapitalisation Facility, SME Automation and Digitalisation Facility, Micro Enterprises Facility)>
- Insurance: < Bank Negara Malaysia (BNM) led initiatives (Such as Flexibilities to meet payments for insurance premiums and takaful contributions). Industry led initiatives (Such as Perlindungan Tenang Voucher (PTV) programme for the bottom 40% of the household income group (B40); insurance companies also waived exclusions, co-payments and waiting periods, and expedited processing of insurance claims related to COVID-19) >

Section 2. Demographics

3. Please indicate your gender [S]
    a. Male
    b. Female

4. Please indicate the age range you fall into [S]
    a. Less than 18 (terminate)
    b. 18-19 years
    c. 20-29 years
    d. 30-39 years
    e. 40-49 years
    f. 50-59 years
    g. 60-69 years
    h. 70+ years

5. Which one of the following best describes your current employment status? [S]
    a. Employed full time
    b. Employed part time
    c. Self-employed
    d. Not employed, but looking for work
    e. Not employed and not looking for work

f. Retired
g. Student
h. Homemaker

6. Please indicate whether you were born in [Cambodia/Indonesia/Malaysia]: [S]
   a. Yes
   b. No

7. Please indicate the size of the community you currently live in:
   a. A village, hamlet or rural area (fewer than 3 000 people)
   b. A small town (3 000 to about 15 000 people)
   c. A town/city (15 000 to about 1 000 000 people)
   d. A large city (with over 1 000 000 people)

8. Which one of the following best describes your education status? [S]
   a. No formal education
   b. Primary/Elementary School
   c. Secondary School/ Middle school/High School
   d. University level qualification (bachelor, master, Phd)

Section 3a. Digital payments questions

[Introduction] During the COVID-19 pandemic, Governments, central banks and financial service providers put in place various special measures to **help people make digital payments** during the pandemic, for example, encouraging consumers to pay for goods at a shop on a debit or credit card rather than with cash, increasing the limit for some contactless payments, or allowing people to make more payments online (e.g. for utilities or Government services). The next few questions are about digital payments.

9. Since the start of the COVID-19 pandemic (i.e. since the start of 2020), could you indicate if you have changed how you make purchases or transactions in any of the following ways?

	Decreased	Stayed the same	Increased	Do not know
Sending money to other people digitally (e.g. via a computer or mobile app, this should not include money sent through agents)				
Making digital payments for products and/or services I purchase (e.g. via a computer or mobile phone)				
Paying a bill digitally (e.g. via a computer or mobile phone)				
Signing financial contracts online (e.g. buying an insurance product digitally)				

10. [If indicated that all of the above in Q9 stayed the same or decreased] You mentioned that your use of digital payments/transactions **stayed the same or decreased** for you. Could you indicate why? (yes/agree or no/disagree or "I do not know or I prefer not to answer)
    a. I did not know how to make the payment or transaction in a digital way
    b. I did not trust digital payments and transactions
    c. I was concerned about fraud and scams
    d. I did not have access to the internet
    e. I did not have a digital device (e.g. mobile phone, or personal computer)
    f. The receiving party was not able to receive digital payments

11. [If indicated that at least one of the above in Q9 increased] You mentioned that some types of digital payments/transactions **increased** for you. Could you indicate why? (yes/agree or no/disagree or "I do not know or I prefer not to answer"
    a. It was the only way to continue making payments during COVID-19 restrictions and lockdowns
    b. Digital payments/transactions are cheaper than traditional ones
    c. Digital payments/transactions are faster than traditional ones
    d. Digital payments/transactions are more flexible than traditional ones

Section 3b. Credit questions

12. [If replied NO to question 2a] At the beginning of the survey you mentioned that you **did not use** any special support or relief measures offered by public authorities or financial institutions to help you **manage your loans**. Why did you not use these measures? <u>Choose the reply that most applies to you:</u>
    a. I did not have any loans or credit
    b. I did not need help with my loans/credit
    c. I was not aware of the measure/s
    d. I did not know how to use the measures
    e. I did not use the measure because I was not eligible
    f. I applied to use the measure but my request was not accepted
    g. Other

13. [If replied YES to question 2a] At the beginning of the survey you mentioned that **you used** some of the special support or relief measures offered by public authorities or financial institutions to help you manage **your loans**. Could you indicate whether you agree with the following statements? (yes/agree or no/disagree or "I do not know or I prefer not to answer" <u>to each statement</u>)
    a. The special credit support or relief measure was easy to understand
    b. The special credit support or relief measure worked as I expected
    c. When I applied for the special credit support or relief measure, I thought my loan would be cancelled

d. When I applied for the special credit support or relief measure, I thought I could stop paying back my loan temporarily
e. When I applied for the special support or relief measure, I thought no interest will be charged during the loan moratorium period

14. [If replied YES to question 2a] Was the special credit support or relief measure you used helpful to improve your financial situation during the COVID-19 pandemic (i.e. during 2020 and 2021)? (for instance by reducing your expenses for loan repayments, or by making it easier and cheaper to manage your credit obligations) Choose the reply that most applies to you:
    a. It improved my financial situation a lot
    b. It improved my financial situation a little
    c. It made no difference to my financial situation
    d. It worsened my financial situation
    e. I do not know or I prefer not to answer

Section 3c. Insurance questions

15. [If replied NO to question 2b] At the beginning of the survey you mentioned that you **did not use** any special support or relief measures offered by public authorities or financial institutions to help you manage your insurance contracts. Why did you not use the insurance measures? Choose the reply that most applies to you:
    a. I did not have an insurance contract
    b. I did not need help with my insurance contract
    c. I was not aware of the measure/s
    d. I did not know how to use the measures
    e. I did not use the measure because I was not eligible
    f. I applied to use the measure but my request was not accepted
    g. Other

16. [If replied YES to question 2b] At the beginning of the survey you mentioned that **you used** some of the special support or relief measures offered by public authorities or financial institutions to help you manage **your insurance contracts**. Was this special support helpful to improve your financial situation during the COVID-19 pandemic (i.e. in 2020 and 2021)? For example, by reducing your expenses for insurance premiums, or by making it easier and cheaper to manage your insurance contracts or by giving you wider coverage. Choose the reply that most applies to you:
    a. It improved my financial situation a lot
    b. It improved my financial situation a little
    c. It made no difference to my financial situation
    d. It worsened my financial situation
    e. I do not know or I prefer not to answer

Section 4. General questions – Financial and digital literacy

17. Since the beginning of the pandemic (i.e. since the start of 2020), did you seek information and advice to manage your personal financial situation from the following sources?

	No I **never** looked for information and advice from this source	I looked for information and advice from this source to the **same** extent as before the pandemic	I looked for information and advice from this source to a **greater** extent than before the pandemic	I looked for information and advice from this source to a **lesser** extent than before the pandemic	I do not know
Public sources, such as <national name>					
Financial service providers, such as banks, insurance companies, etc.					
Family and friends					
Financial adviser or other finance professional					
Other sources					

For Cambodia:

- <National Bank of Cambodia, ”Let’s Talk Money” website, etc.>

For Indonesia:

- <Bank Indonesia, Otoritas Jasa Keuangan, “Sikapi Uangmu” website, etc.>

For Malaysia:

- <Bank Negara Malaysia, Agensi Kaunseling dan Pengurusan Kredit (AKPK), Securities Commission Malaysia, etc.>

18. How easy is it for you to use or do the following: [Very easy/somewhat easy/somewhat challenging/very challenging/ “I do not know or I prefer not to answer” scale for each]
    a. Use a mobile phone
    b. Use emails
    c. Use a personal computer
    d. Use an ATM
    e. Transfer money via a mobile device (e.g. a mobile phone)
    f. Transfer money online
    g. Buy goods online

19. [Attitudes and Behaviour Question] To what extent do the following statements describe you? [rotate list] Scale of 1-5 for 'completely disagree' to 'completely agree' / or "I do not know" for each
    a. I find it more satisfying to spend money than to save it for the long term
    b. I tend to live for today and let tomorrow take care of itself
    c. I keep a close personal watch on my financial affairs
    d. I set long term financial goals and strive to achieve them
    e. Before I buy something I carefully consider whether I can afford it
    f. I pay my bills on time
    g. I have too much debt right now
    h. If I borrow money I have a responsibility to pay it back

[Introduction] The next question is more like a quiz. The question is not designed to catch you out, so if you think you have the right answer, you probably do. If you don't know the answer, just say so.

20. [Knowledge Question] Do you think the following are typically true or false? [rotate list]
    a. If someone offers you the chance to make a lot of money it is likely that there is also a chance that you will lose a lot of money
    b. High inflation means that the cost of living is increasing rapidly
    c. True
    d. False
    e. Don't know

Section 5. Financial situation

21. Rate the impact of the COVID-19 pandemic generally on your financial situation (Choose the reply that most applies to you):
    a. The COVID-19 pandemic generally had a **large negative impact** on my financial situation
    b. The COVID-19 pandemic generally had a **small negative impact** on my financial situation
    c. The COVID-19 pandemic generally had a **no impact** on my financial situation
    d. The COVID-19 pandemic generally had a **small positive impact** on my financial situation
    e. The COVID-19 pandemic generally had a **large positive impact** on my financial situation
    f. I do not know /I prefer not to answer

22. [If answered a or b in Q21] What was the **negative impact** on your financial situation due to the COVID-19 pandemic? Select all that apply For each: yes/ no /I do not know or I prefer not to answer
    a. Loss or reduction of employment salary/income
    b. Loss or reduction of business income
    c. Loss/reduction of secondary income (e.g. additional income coming from renting property, shares and stocks, etc.)

d. Increase in expenses related to family care and responsibilities
e. Increase in borrowing (e.g. loans/credit facilities/etc.)
f. Decrease in savings

Financial Resilience Questions

23. If you, personally, faced a major expense **in December 2019** (before the COVID-19 pandemic) – equivalent to your own monthly income – would you have been able to pay it without borrowing the money or asking family or friends to help? If you did not previously have an income, please think about an unexpected expense equivalent to the amount of money you typically would have spent in a month.
    a. Yes
    b. No
    c. I do not know

24. If you, personally, faced a major expense **today** – equivalent to your own monthly income – would you be able to pay it without borrowing the money or asking family or friends to help? If you do not currently have an income, please think about an unexpected expense equivalent to the amount of money you typically spend in a month.
    a. Yes
    b. No
    c. I do not know

25. If you had lost your main source of income **in December 2019** (before the COVID-19 pandemic), how long could you continue to cover your living expenses, without borrowing any money or moving house? Choose the reply that most applies to you
    a. Less than a week
    b. At least a week, but not one month
    c. At least one month, but not three months
    d. At least three months, but not six months
    e. Six months or more
    f. I do not know

26. If you lost your main source of income **today**, how long could you continue to cover your living expenses, without borrowing any money or moving house? Choose the reply that most applies to you
    a. Less than a week
    b. At least a week, but not one month
    c. At least one month, but not three months
    d. At least three months, but not six months
    e. Six months or more

f. I do not know

27. Please indicate into which range your **monthly household** income falls into (inclusive of any transfer income, work and non-work income (e.g. rental), welfare and allowance from family members, interest from capital, etc). Please refer to the sum of the incomes of all people living in your home? [S – vary for country currency]

For Cambodia:

a	Less than 400,000R Or < USD100
b	400,000R -800,000R Or USD100-USD200
c	800,001R -1,200,000R Or USD200-USD300
d	1,200,001R -1,6000,000R Or USD300-USD400
e	1,600,001R-3,200,000R Or USD400-USD800
f	3,200,001R-4,900,000 Or USD800 - USD1,200
g	4,900,001R-6,500,000 Or USD1,200 - USD1,600
h	6,500,001R-8,100,000R OR USD1,600-USD2,000
i	8,100,001R-9,800,000R Or USD2,000-USD2,400
j	More than 9,800,000 Or USD2,400
K	prefer not to answer

For Indonesia:

Up to Rp 750.000
Rp 750.001 - 900.000
Rp 900.001 - 1.250.000
Rp 1.250.001 - 1.750.000
Rp 1.750.001 - 2.500.000
Rp 2.500.001 - 4.000.000
Rp 4.000.001 - 5.000.000
Rp 5.000.001 - 6.000.000
Rp 6.000.001 - 7.000.000
Rp 7.000.001 - 10.000.000
Rp 10.000.001 - 24.999.999
Rp 25.000.000 - 50.000.000
Rp 50.000.001 - 75.000.000
Rp 75.000.001 - 100.000.000
Di atas Rp 100.000.001
I prefer not to answer

For Malaysia

Up to RM1,000
RM1,001 - RM2,000
RM2,001 - RM3,000
RM3,001 - RM5,000
RM5,001 - RM5,500
RM5,501 - RM6,000
RM6,001 - RM6,500
RM6,501 - RM7,000

RM7,001 - RM7,500
RM7,501 - RM8,000
RM8,001 - RM8,500
RM8,501 - RM9,000
RM9,001 - RM9,500
RM9,501 - RM10,000
RM10,001 - RM15,000
Above RM15,000
I prefer not to answer

Annex B. Tables of results

Detailed results tables are available as a separate online Annex at www.oecd.org/financial/education/the-impact-of-the-covid-19-pandemic-on-financial-consumers-in-asia.htm www.oecd.org/financial/education