



COFACE working group on financial inclusion

26th of March, 10.00-12.00 CET

Objective of the working group

The objective of this working group was to bring together COFACE members and partners working on financial inclusion, to discuss EU developments and exchange information on key national trends. We discussed relevant EU legislation, and collected information on challenges and good practices from COFACE Member organisations. 17 people participated from 6 countries: Austria, Belgium, Bulgaria, Croatia, France and Hungary.

COFACE activities

COFACE Families Europe published a [policy brief](#) on summarising core developments in financial inclusion at EU level and COFACE-Families Europe positions on financial inclusion. It covers personal insolvency, financial literacy, consumer credit, creditworthiness, access to basic bank account, and the digital Euro. Martin Schmalzried gave an update on some of these developments. The policy brief also explores future trends including Artificial Intelligence (both regulations and self-empowerment), blockchain and crypto-assets (stablecoins and the US, tokenization of real world assets including company shares, bonds etc.), the GDPR and data protection (future of data portability, data minimization, purpose limitation etc within the context of AI), and finally open finance (does it bring benefits for consumers).

There was a discussion about the rising costs of living, notably due to increased conflict worldwide and energy prices. In Belgium, wages are indexed. Today, this is being questioned, even though an automatic indexation of wages is indeed the best protection for families. With a new type of index, 'the cents index,' this is already being undermined. What is happening in other countries to protect citizens against loss of purchasing power? Different types of measures exist:

- indexation of wages in Belgium and Luxembourg
- minimum wage indexation in France and Slovenia
- negotiated wage indexation in Germany, Netherlands, Scandinavia;
- allowances in Cyprus and Malta

Spotlight on members: France

The spotlight this year focused on the French Union Nationale des Associations Familiales (UNAF) “[Point Conseil Budget](#)” (Budget Advice Centres). These are one-stop shops for both prevention of financial problems (financial planning, budget management) and helping families in financial difficulties. It’s a key initiative in France over the past five years as part of public policy to prevent and address over-indebtedness. Concretely, how do the Budget advice centres assist people? In one-on-one support, their main roles include:

First: Budget support – the advisors help people understand their income and expenses, and build a balanced budget

Two: Debt management – the professionals offer advice to manage existing debts, including repayment plans

Three: Procedure of over-indebtedness – they help people apply for the procedure (by compiling documents and proofs, writing letters...) and help them understand the decisions taken by the commission

Four: they help handle the commercial relationships with service providers and banks, and negotiate contracts with the energy, telecommunications or housing providers, as well as ask the bank for refunding fees, and so on.

Five: their debt advisors direct individuals to appropriate social services or legal assistance if needed. In addition to one-on-one assistance, their centres organise financial education group workshops. For example, their members organise workshops for seniors on Budget Advice Centres are run by social workers who are specialised in financial and budgeting issues.

In addition to one-on-one assistance, their centres organise financial education group workshops. For example, their members organize workshops for seniors on banking fraud and scams, as well as parent-child workshops on consumer habits and standards.

These activities are connected with a European directive that is currently being transposed in all Member States: the Consumer Credit Directive. In November 2026, the provisions of the European Consumer Credit Directive (CCD2) will come into effect. Among these provisions : the implementation of Debt Advisory Services for banking clients in financial difficulty (this provision is on Article 36). More specifically, the directive requires that lenders—credit institutions and finance companies—systematically refer their clients facing financial difficulties to independent debt advisory services. How can banks spot these clients facing financial difficulties? These are clients who can no longer pay their consumer credit installments or clients with recurring bank overdrafts. These services must be independent and free of charge, or at least accessible at “limited cost” to the indebted person. It is still unclear, however, how the national governments will implement article 36, and whether they will mandate independent organisations like UNAF and their “Points Conseils Budgets” to take on this role.

AI in finance

At the EU level, discussions continue to focus on how the [EU AI Act](#) will be implemented in practice, especially for use-cases relevant to financial services (general-purpose AI used in workflows, and high-risk systems such as creditworthiness checks). On the 17th of March 2026, COFACE held a conference on families and artificial intelligence in Athens, presenting challenges and opportunities of using AI in financial services. The benefits of AI for boosting financial literacy, using AI to carry out online research, analysing a family’s budget or comparing complex financial products were discussed (the presentation are available on the COFACE website [here](#)). However, the discussions also highlighted that existing EU sectoral financial laws were approved before AI systems even existed or were widely used, and there are no EU harmonised redress and liability rules tailored to AI systems.