FINANCIAL LITERACY IN CYPRUS

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Financial literacy in Cyprus

Cyprus adopted a National Strategy for the Promotion of Financial Literacy and Education in 2022. This report aims to support its monitoring and implementation by analysing levels of financial literacy in the country. It is based on a survey of the Cypriot population (aged 15-79) using the OECD/INFE Toolkit for Measuring Financial Literacy and Financial Inclusion. It covers aspects of financial knowledge, financial behaviour, financial attitudes and digital financial literacy. In addition, the report provides information about financial products holding, exposure to financial frauds and scams, behaviours and attitudes related to debt, and financial resilience.

Foreword

The OECD Recommendation on Financial Literacy highlights the importance of assessing levels of financial literacy, which is a key step in developing and implementing successful national strategies for financial literacy (OECD, 2020[1]).

This report presents the results of a financial literacy survey of the Cypriot population aged 15-79, using the OECD/INFE 2022 Toolkit for Measuring Financial Literacy and Financial Inclusion (OECD, 2022[2]). The survey was adapted to consider the specificities of the Cypriot context and a financial literacy survey conducted by the Central Bank of Cyprus in 2018 (Kyriacou et al., 2024[3]).

The report contributes to the evidence and analysis that can support the implementation of Cyprus' National Strategy for the Promotion of Financial Literacy and Education, which is one of the reforms included in Cyprus' Recovery and Resilience Plan (RRP). The Strategy was approved by the Council of Ministers in June 2022.

This work is the result of the collaboration between the Central Bank of Cyprus and the Ministry of Finance of Cyprus, which requested support from the European Commission's Reform and Investment Task Force (SG REFORM) under the Technical Support Instrument (TSI) and the OECD, designated as implementing partner of the Project. This report was prepared in the framework of the Project "Implementation of the National Strategy for the enhancement of financial literacy project in Cyprus", carried out with funding by the European Union via the TSI and in cooperation with SG REFORM. The latter provides support for the preparation and implementation of growth-enhancing administrative and structural reforms by mobilising EU funds and technical expertise, in accordance with the criteria and principles referred to in Article 7(2) of the Regulation (EU) 2017/825. The views expressed herein can in no way be taken to reflect the official opinion of the European Union.

This report has been developed by the Capital Markets and Financial Institutions Division of the OECD Directorate for Financial and Enterprise Affairs. It was prepared by Sona Lalayan and Federica D'Agostino, under the supervision of Elena Miteva and Chiara Monticone, Senior Policy Analysts, Miles Larbey, Head of the Financial Consumer Protection, Education and Inclusion Unit, and Serdar Celik, Head of Division. George Kyriacou, Theodosis Kallenos and Lena Cleanthous from the Central Bank of Cyprus, and Édouard Gomet and Christina Dede from the European Commission SG REFORM provided input.

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Executive summary

Financial literacy is recognised as a fundamental life skill to support the financial well-being of individuals and societies (OECD, 2020[1]). In line with the OECD Recommendation on Financial Literacy (OECD, 2020[1]), Cyprus adopted a National Strategy for the Promotion of Financial Literacy and Education in 2022. This report aims to support the implementation and monitoring of the National Strategy by analysing levels of financial literacy in the country. This report summarises the evidence collected through a nationally representative quantitative survey of the financial literacy of the population aged 15-79 in Cyprus. The survey was conducted in 2023 using the OECD/INFE Toolkit for Measuring Financial Literacy and Financial Inclusion. The questionnaire was adapted to consider the specificities of the Cypriot context and a financial literacy survey conducted by the Central Bank of Cyprus in 2018 (Kyriacou et al., 2024[3]). The report covers aspects of financial knowledge, financial behaviour, financial attitudes and digital financial literacy. In addition, the report provides information about financial products holding, exposure to financial scams and frauds, behaviours and attitudes related to debt, and financial well-being and financial resilience.

Key findings and considerations

Financial literacy

Financial literacy is defined as a combination of financial awareness, knowledge, skills, attitudes and behaviours necessary to make sound financial decisions and ultimately achieve individual financial well-being (OECD, 2020[1]). The population aged 15-79 in Cyprus scored on average 56 out of 100. Only 17% of people reached the minimum target score on financial literacy, which is defined as scoring at least 70 points out of 100. The results showed some limited variations in financial literacy across gender, age, educational attainment, income, occupational status and region of residence.

- In terms of financial knowledge, on average, the population aged 15-79 in Cyprus scored 25 out of 35 (that is 72% of the maximum score on financial knowledge). Only 51% could answer correctly the question on risk diversification and 34% could answer correctly the question on compound interest.

- In terms of financial behaviour, the population in Cyprus scored, on average, 21 out of 45 (which is 46% of the maximum score on financial behaviour). Only 23% reported closely monitoring their personal financial affairs, 26% paid bills on time and 32% set long-term financial goals. Additionally, only 30% compared financial products across providers, 28% sought advice from independent sources and just 21% considered whether they could afford something before buying it.

- In terms of financial attitudes, the population in Cyprus, on average, scored 10 out of 20 (which is 50% of the maximum score on financial attitudes). In general, many people tend to adopt a short-term approach to finances, as only 29% disagreed with the statement "I find it more satisfying to spend money than to save it for the long-term" and only 40% disagreed with the statement "I tend to live for today and let tomorrow take care of itself".

Digital financial literacy

Digital financial literacy is defined as a combination of knowledge, skills, attitudes and behaviours necessary for individuals to be aware of and safely use digital financial services and digital technologies with a view to contributing to their financial well-being (OECD, 2022[4]). The digital financial literacy score of the population aged 15-79 was 44 points out of 100. Only 10% reached the minimum target score on digital financial literacy, which is defined as scoring at least 70 points out of 100. The results showed some limited variations in digital financial literacy across education levels.

- In terms of digital financial knowledge, only 15% were aware that the personal data they share publicly online can be used to target them with personalised commercial or financial offers. Only 18% knew that in the country crypto-assets are not legal tender as banknotes and coins.

- In terms of digital financial behaviour, 67% declared that they never or very rarely change the passwords used on websites for online shopping. Only 31% reported always or very often checking whether a financial services provider is regulated in Cyprus before buying a financial product online.

- In terms of financial attitude, only 50% thought that it is not safe to shop online using public Wi-Fi networks, and just 64% thought it is important to read terms and conditions when buying something online and pay attention to the security of a website before making a transaction online.

Financial behaviours and outcomes

The report presents results about financial behaviours and outcomes relevant in the Cypriot context, focusing on awareness and use of financial products, exposure to financial scams and frauds, behaviours and attitudes related to debt, and financial resilience among adults aged 18-79.

- *Product awareness and holding:* While 92% of adults in Cyprus are aware of at least five financial products, only 48% hold at least five. Common products held by Cypriot adults include payment products (88%), credit (77%) and savings/investment/retirement products (76%). Only 21% have insurance, 10% own sustainable/green financial products and 7% hold crypto-assets. In terms of using digital financial digital services, 63% of adults with internet access have bought goods or services online and 62% have already transferred money online.

- *Financial scams and frauds*: 17% of adults reported having being victims of financial scams or frauds in the two years before the survey. Some 85% of the adults who have been victims of scams or frauds did not reach basic levels of financial literacy.

- *Debt*: Around 22% of adults in Cyprus felt that they had too much debt at the time of the interview. Some 3% of adults were late on loan or mortgage payments in the year before the survey and of those, 24% were late by 90 days or more.

- *Financial* resilience*: Only 22% of adults reported that they could cover a major expense, equivalent to their monthly income without borrowing the money or asking family or friends to help. Some 39% had experienced situations where their income did not cover their living costs in the 12 months prior to the survey. Only 60% could continue to cover their living expenses for at least three months without borrowing money or moving house if they lost their main source of income.

Policy suggestions

Based on these results, a series of policy suggestions can be put forward for policy makers and stakeholders in Cyprus to consider as they implement and monitor the National Strategy for the Promotion of Financial Literacy and Education. These policy suggestions are expected to support Cyprus in improving financial literacy levels, including on aspects related to digital financial literacy, in order to support sound

financial decisions, financial resilience and financial well-being. Particular attention could be devoted to the following areas:

- Continuing to enhance basic financial knowledge, which is essential for individuals to make informed financial decisions about budgeting, planning and saving.
- Encouraging individuals to cultivate positive behaviours and attitudes towards keeping track of money in the short term and setting up long-term goals.
- Supporting sound financial behaviours that can foster an informed and safe use of financial services.
- Enhancing digital financial literacy to support the safe use of digital financial services.
- Empowering consumers to protect themselves against financial scams and frauds.
- Empowering people to manage their debt obligations.

1 Introduction

The OECD Recommendation on Financial Literacy encourages the collection of data on levels of financial literacy in a country as a prerequisite for developing and implementing national strategies for financial literacy (OECD, 2020[1]).

The National Strategy for the Promotion of Financial Literacy and Education in Cyprus was officially adopted by the Council of Ministers on 28 June 2022 (CBC, 2022[5]). It was developed largely based on the results of a financial literacy survey conducted by the Central Bank of Cyprus in 2018 (Kyriacou et al., 2024[3]).

This report complements existing evidence, with the aim of contributing to the implementation and monitoring of the National Strategy. It presents the results of a nationally representative quantitative survey conducted in 2023 to assess financial literacy levels of the population aged 15-79 in Cyprus.[1]

Box 1. Definitions used in this report

Financial literacy: a combination of financial awareness, knowledge, skills, attitude and behaviours necessary to make sound financial decisions and ultimately achieve financial well-being.

Digital financial literacy: a combination of knowledge, skills, attitudes and behaviours necessary for individuals to be aware of and safely use digital financial services and digital technologies with a view to contributing to their financial well-being.

Financial resilience: the ability of individuals or households to resist, cope and recover from negative financial shocks.

Financial well-being: a state in which individuals are able to smoothly manage their financial needs and obligations, can cope with negative shocks, can pursue aspirations, goals and capture opportunities, and feel satisfied and confident about their financial lives, keeping in mind country specific circumstances.

Sources: OECD (2020[1]) Recommendation of the Council on Financial Literacy, https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0461; (2022[4]) OECD/INFE Guidance on Digital Delivery of Financial Education, https://doi.org/10.1787/c980ce2b-en; (2021[6]) G20/OECD-INFE Report on Supporting Financial Resilience and Transformation through Digital Financial Literacy, https://doi.org/10.1787/0132c06d-en; (2024[7]) G20 policy note on financial well-being, https://doi.org/10.1787/7332c99d-en; (2023[8]) OECD/INFE 2023 International Survey of Adult Financial Literacy, https://doi.org/10.1787/56003a32-en

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The report is structured as follows:

- Section 2 describes the level of financial literacy in the population.
- Section 3 describes the level of digital financial literacy in the population.
- Section 4 presents evidence about financial behaviours and outcomes, such as awareness and use of financial products and services, exposure to financial scams and frauds, behaviours and attitudes related to debt, as well as financial well-being and financial resilience.
- Section 5 offers policy suggestions.
- Annex A presents methodological information.
- Annex B presents the tables of results.

2 Financial literacy

This section describes results in relation to financial literacy and its components (knowledge, attitudes and behaviour), and how these vary across socio-demographic groups. This section focuses on the population aged 15-79 in Cyprus (hereinafter referred to as "people in Cyprus").

2.1. Overall levels of financial literacy

Financial literacy was measured according to the definition included in the OECD/INFE 2022 Toolkit (OECD, 2022[2]) and the OECD Recommendation on Financial Literacy (OECD, 2020[1]). Accordingly, financial literacy questions covered three main areas:
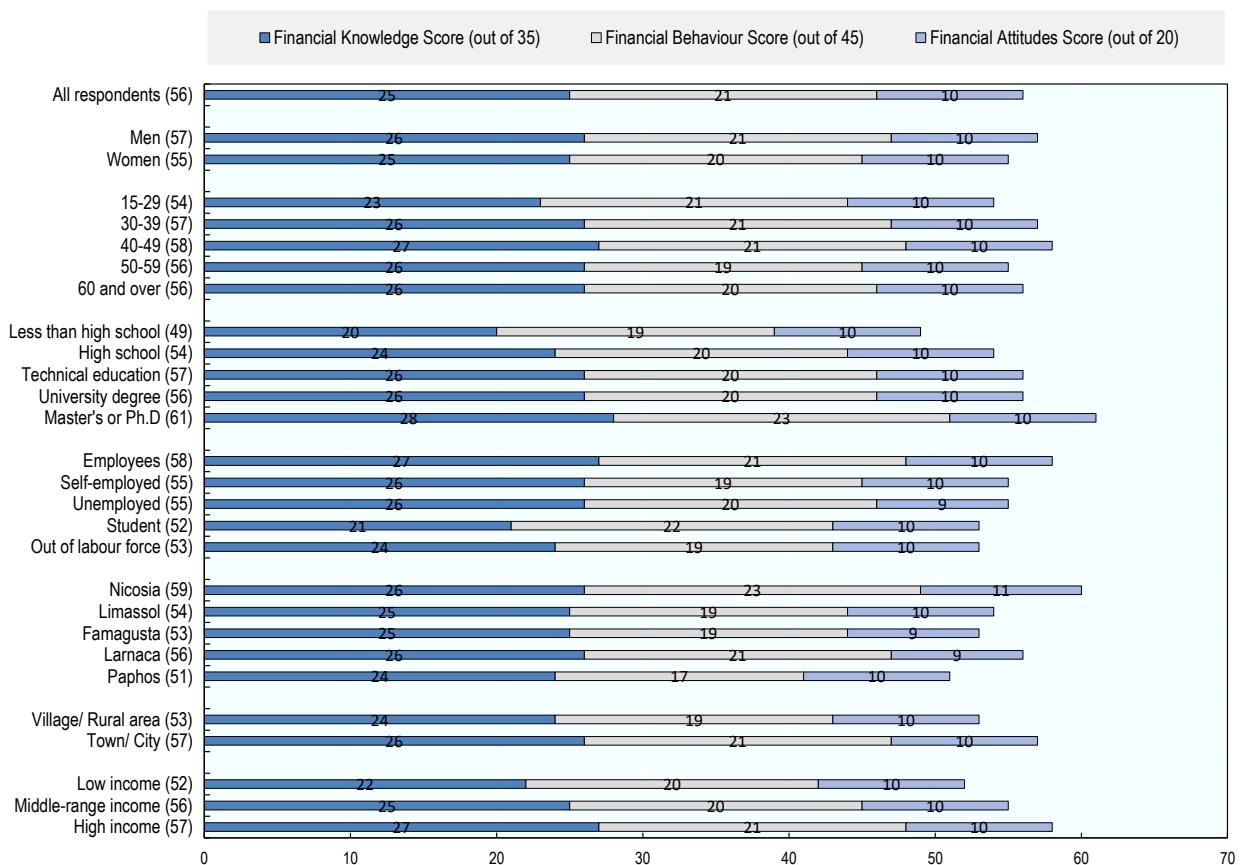
- financial knowledge, on topics such as inflation, interest and diversification
- financial behaviours, such as budgeting, planning or managing finances
- financial attitudes related to financial literacy, such as having an orientation towards the long term.

The overall financial literacy score is a constructed measure which is a summation of scores on questions that measure financial knowledge, financial behaviours and financial attitudes. The overall financial literacy scores range from 0 to 100. Higher scores reflect higher levels of financial literacy. Given that the survey assesses basic financial concepts and behaviours, it is important to keep in mind that achieving the highest possible score means possessing a basic understanding of financial concepts, and displaying prudent behaviours and attitudes in financial management. The methodology for computing financial literacy scores is described in the OECD/INFE 2023 International Survey of Adult Financial Literacy (OECD, 2023[8]).

The population aged 15-79 in Cyprus scored on average 56 out of 100. This score is calculated as the sum of its three components: 25 out of 35 on financial knowledge; 21 out of 45 on financial behaviour; 10 out of 20 on financial attitudes, as shown in Figure 1. In Cyprus, only 17% of people reached the minimum target score on financial literacy, which is defined as scoring at least 70 points out of 100. Detailed results are presented in Table A B.1.

Figure 1. Financial literacy

Average financial literacy score (out of 100) across socio-demographic groups

Note: Scores calculated using the OECD/INFE methodology (OECD, 2023[8]). The overall financial literacy score is computed as the sum of the scores on financial knowledge, financial behaviour and financial attitudes. The overall financial literacy score was scaled to range from 0 to 100.
Source: OECD 2023 survey on financial literacy in Cyprus.

Besides the average overall financial literacy score, the survey explores differences in financial literacy and its components across various individual-level characteristics such as gender, age, level of education, labour force status, region and income. Figure 1 shows that the financial literacy score is particularly high among people with tertiary education (61 points) and particularly low among people with less than high school education (49 points).
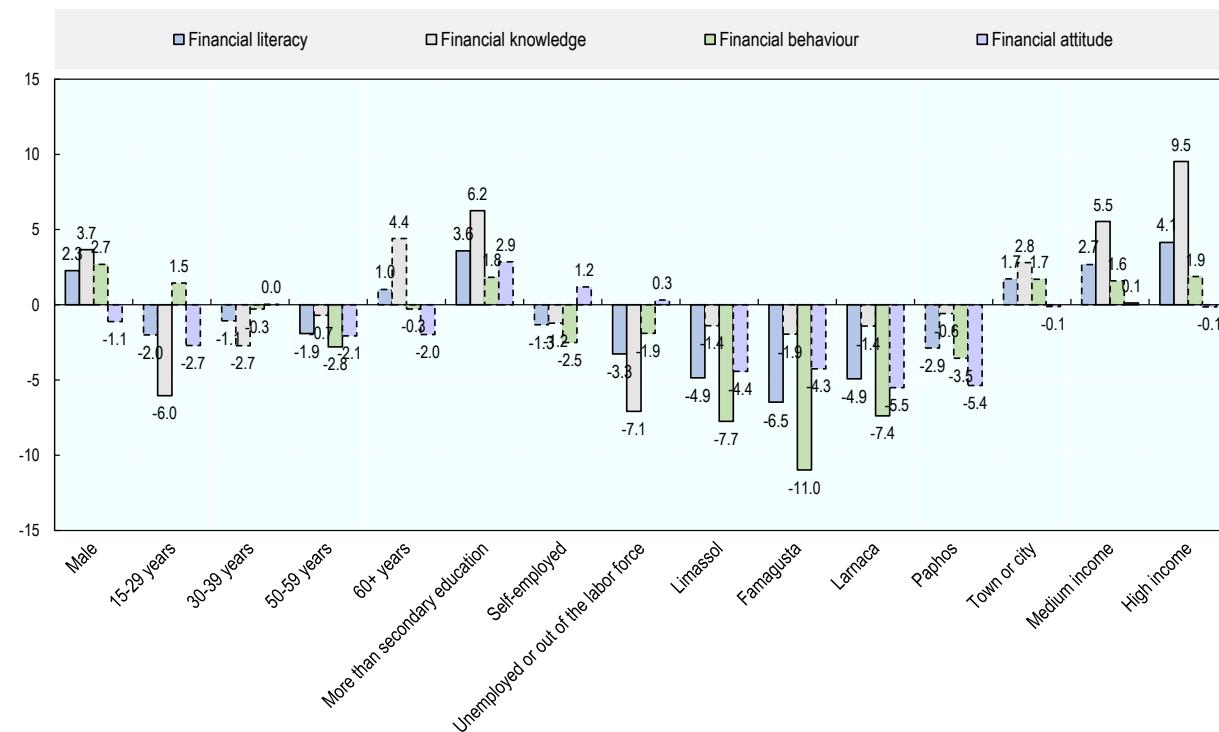
Figure 2 reports the results of a multivariate analysis, which concurrently considers multiple socio-demographic variables to isolate and quantify their unique contribution to the observed differences in financial literacy. The results show that there are some variations, albeit typically small, associated with:

- *Gender:* men scored two points higher than women.
- *Age*: people aged 50-59 scored two points lower than people 40-49 years old.
- *Education*: people with more than secondary education scored four points higher than those with secondary education or less.
- *Income*: those with high income had levels of financial literacy that are four points higher than those with low incomes.
- *Employment status*: the unemployed and those out of the labour force (including students) scored 3 points lower than employees.

- *Region of residence:* people living in Nicosia scored higher than people living in all other regions in Cyprus, including Limassol, Famagusta and Larnaca. Variations across regions are slightly larger than variations across other socio-demographic factors.

Figure 2. Variation in financial literacy and its components, by characteristics of the respondent

Score-point differences associated with characteristics of the respondent

Note: These results are based on a linear regression (OLS). Therefore, differences between socio-demographic groups may be different from the differences that can be inferred from Figure 2.1.

Comparison categories are women, respondents 40-49 years old, respondents with less than upper secondary education, employees, respondents from the Nicosia region, respondents from rural areas and respondents with low incomes.

Statistically significant values are marked with a solid border (5% level), whereas non statistically significant values are marked with a dashed border.

Source: OECD 2023 survey on financial literacy in Cyprus.

2.2. Financial knowledge

Financial knowledge helps individuals make appropriate, well-informed financial decisions and compare financial products and services. A basic knowledge of financial concepts and the ability to apply them ensures that consumers can navigate with greater confidence financial matters and react appropriately to news and events that may have implications for their financial well-being (OECD, 2023[8]). Even small differences in financial knowledge among different groups of the population should be considered in the design of financial literacy policies and initiatives, as these can affect long-term wealth accumulation and retirement income.

The population aged 15-79 in Cyprus scored 25 out of 35 on financial knowledge (that is 72% of the maximum score on financial knowledge). Moreover, 72% reached the minimum target financial knowledge score (correctly answering at least five out of seven correct answers). Detailed results by socio-demographic categories are presented in Table A B.1

There are statistically significant differences in financial knowledge across gender, age, education, employment status and income, as shown in Figure 2. Men scored four points higher than women. People aged 15-29 scored six points lower than people aged 40-49. People with more than secondary education scored six points higher than those with upper secondary education. The unemployed and people out of labour force (including students) scored seven points lower than employees. Those with medium and high incomes scored six and ten points higher than people with low incomes.
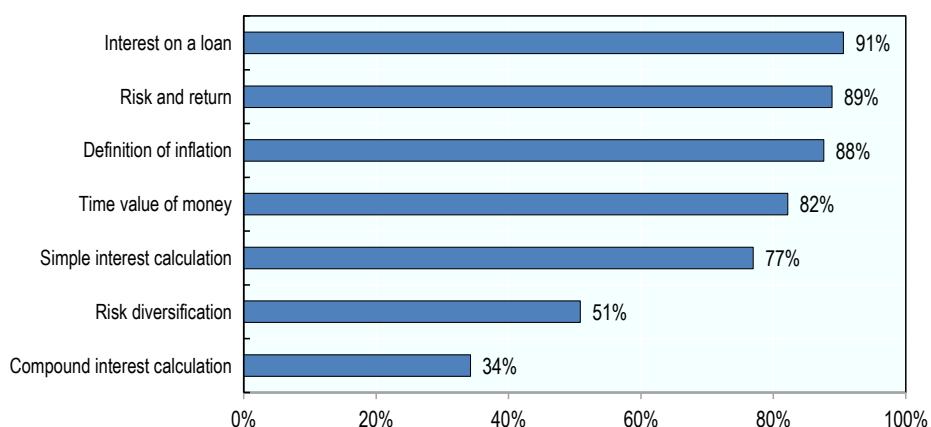
2.2.1. Financial knowledge questions

The financial knowledge score is calculated using responses to seven financial knowledge questions, which test knowledge of financial concepts such as inflation (the definition of inflation and the understanding of time value of money), the benefits of long-term saving/investing, interest and risk. Figure 3 shows that the concepts which proved more challenging were compound interest and risk diversification.

Only 34% of people in Cyprus could answer correctly the question on compound interest. Some 49% could not answer correctly or did not know how to answer the question on risk diversification.

Figure 3. Financial knowledge questions

Percentage of people who correctly answered each financial knowledge question

Source: OECD 2023 survey on financial literacy in Cyprus.

Table A B.2 shows the percentage of people who correctly answered each financial knowledge question, across socio-demographic groups.

2.2.2. Self-assessed financial knowledge

The survey also asked respondents to assess their own financial knowledge. Answers to this question can give important indications of how confident individuals are in their own financial knowledge, with implications for their active use of financial products and services and financial decision-making.

Results show that 25% of people in Cyprus assessed their financial knowledge as high or very high. Over 30% of men, people with a master's or doctorate degree, and people living in Nicosia ranked their knowledge as very high or high. While most of those who assessed their financial knowledge as high or very high also reached the minimum financial knowledge target score, there are also some mismatches. For instance, 6% of people in Cyprus reported their financial knowledge as high or very high but they did

not actually reach the minimum financial knowledge target score. Detailed results are presented in Table A B.3.

2.3. Financial behaviour

The population aged 15-79 in Cyprus scored 21 out of 45 on financial behaviour (that is 46% of the maximum score on financial behaviour). The financial behaviour score gives insights into individuals' actions related to their finances that may positively affect their financial situation.
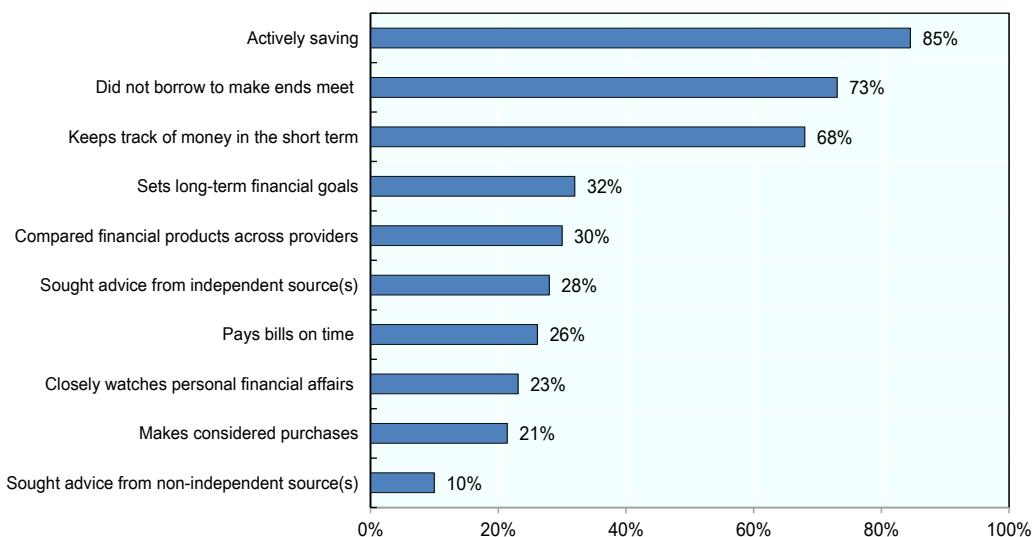
The results of the multivariate analysis displayed in Figure 2 show that there are statistically significant variations in financial behaviours associated with age and region of residence. People aged 50-59 scored 3 points lower than people aged 40-49; and people living in Famagusta, Limassol and Larnaca scored respectively 11, 8 and 7 points lower than people living in Nicosia.

2.3.1. Financial behaviour questions

The financial behaviour score is calculated using the answers to various questions. One point is allocated for each financially savvy behaviour, for a total of nine points. Financial behaviour questions aim at investigating if individuals are behaving in financially literate ways and specifically how individuals keep track of money flows, save and plan for the long-term, and whether they make considerate purchases. Figure 4 reports the percentage of adults who displayed various financially "savvy" behaviours.

Figure 4. Financial behaviour questions

Percentage of people who display a financial "savvy" behaviour

Behaviour	Percentage
Actively saving	85%
Did not borrow to make ends meet	73%
Keeps track of money in the short term	68%
Sets long-term financial goals	32%
Compared financial products across providers	30%
Sought advice from independent source(s)	28%
Pays bills on time	26%
Closely watches personal financial affairs	23%
Makes considered purchases	21%
Sought advice from non-independent source(s)	10%

Notes: There are ten different financial behaviours presented in this figure, notably to show the percentages of adults who sought advice from independent sources separately from the percentage of adults who sought advice from non-independent sources. For the purpose of calculating financial behaviour scores, however, these two indicators are combined to show the percentage of adults who seek advice (either from independent or non-independent sources) before making a purchase. For more information about the methodology used to calculate financial behaviour scores, please refer to OECD/INFE 2023 International Survey of Adult Financial Literacy (OECD, 2023[8]).
Source: OECD 2023 survey on financial literacy in Cyprus.

Results indicated some areas for further development:

- *Keeping track of money flows*: most people kept track of their money (68%), but fewer people watched their personal financial affairs (23%) or paid bills on time (26%).
- *Saving and long-term planning*: most people actively saved (85%) or avoided borrowing to make ends meet (73%) but fewer people set long-term financial goals (32%).
- *Making considerate purchases*: Only 30% compared financial products across providers, only 28% sought advice from independent source and only 21% considered whether they could afford something before buying it.

It is worth noting that the high rate of active savers is consistent with the recent increase in total household deposits in Cyprus, observed particularly since 2019 (CBC, 2022[9]). However, growth in household deposits has slowed down in late 2023/early 2024, likely due to the rising cost of living driven by higher inflation. The low share of people setting long-term financial goals is consistent with an observed use of household savings to smooth consumption levels (CBC, 2024[10]).

Table A B.4 shows the percentage of people who reported each financial behaviour, across socio-demographic groups.

2.4. Financial attitudes

The population aged 15-79 in Cyprus scored 10 out of 20 on financial attitudes (that is, 50% of the maximum score on financial attitudes).

The OECD definition of financial literacy recognises that even if an individual has the knowledge and ability to act in a particular way, their attitudes towards money can also influence their decisions and behaviours. The questionnaire captures this through two questions to measure people' attitudes towards money and planning for the future.

- *Spending vs. saving*: 29% of people disagreed with the statement "I find it more satisfying to spend money than to save it for the long-term".
- *Living for today or for tomorrow*: 40% disagreed with the statement "I tend to live for today and let tomorrow take care of itself".

Table A B.5 displays the percentage of people who disagreed or strongly disagreed with each financial attitude statement, across socio-demographic groups. Responses to these statements indicate that a substantial proportion of the population in Cyprus does not display what can be described as positive financial attitudes but rather take a more short-term approach to personal financial matters. The results of a multivariate analysis, presented in Figure 2, show that there are no statistically significant variations in the financial attitudes score associated with socio-demographic characteristics.

3 Digital financial literacy

This section presents the results on digital financial literacy, focusing on the population aged 15-79 in Cyprus (hereinafter referred to as "people in Cyprus). The results[2] refer to all respondents, regardless of whether they have internet access, to ensure comparability with the figures presented in Section 2. Given the relatively high internet access in the country (87% of people aged 15-79 reported having internet access), the results for respondents with internet access only are qualitatively similar to those for the whole population and are not discussed separately.

3.1. Overall levels of digital financial literacy

Digital financial literacy is defined as a combination of knowledge, skills, attitudes and behaviours necessary for individuals to be aware of and safely use digital financial services and digital technologies with a view to contributing to their financial well-being (OECD, 2022[4]).

This survey includes questions that are intended to measure digital financial knowledge, behaviours and attitudes. In particular:
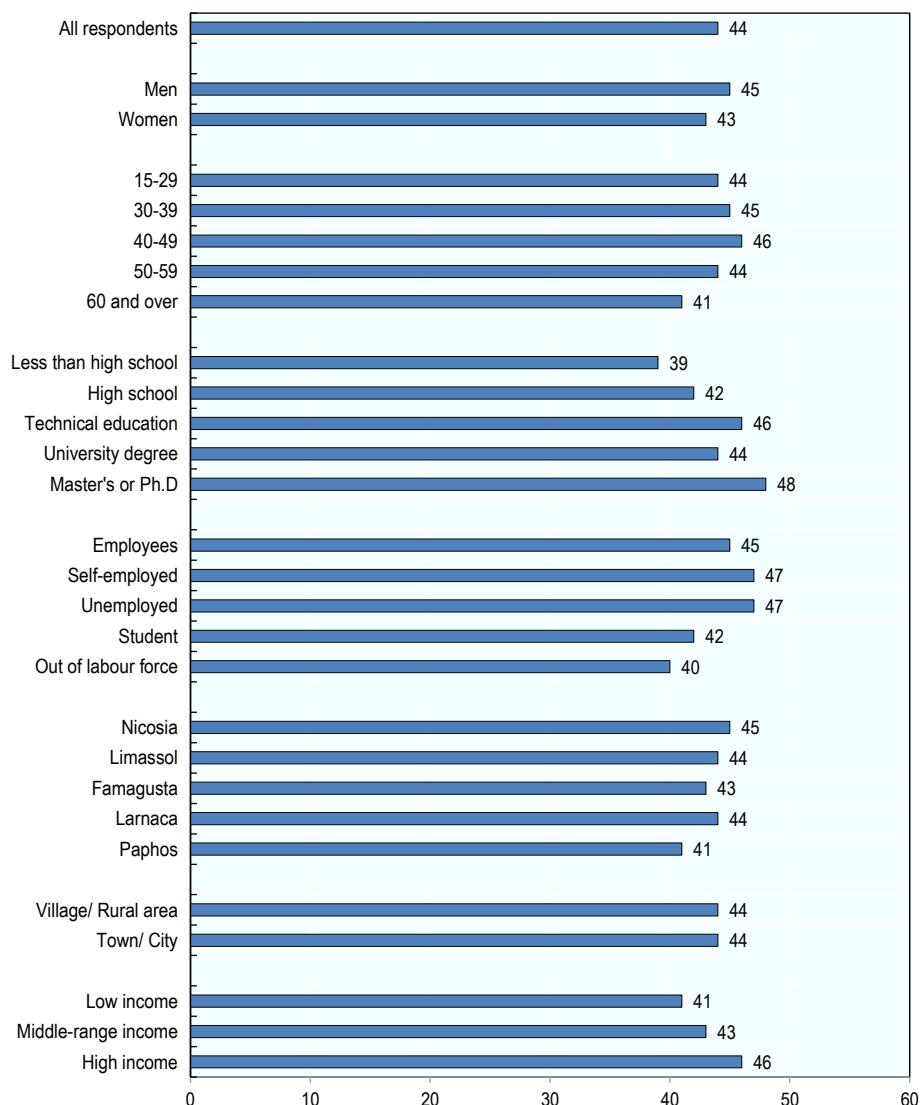
- Digital financial knowledge questions assess whether respondents have a correct understanding of the validity of digital contracts, the use of personal data in targeted commercial or financial offers and the legal status of crypto-assets in the country.
- Behaviours linked to digital financial literacy include changing passwords and PINs for bank accounts and being careful in sharing them, paying attention when sharing personal financial information online, and checking if a digital financial services provider is regulated in the country.
- Attitudes linked to digital financial literacy include attitudes towards safety procedures for online transactions, and attitudes towards reading terms and conditions when buying online.

These questions were used to calculate a digital financial literacy score, composed of four points for behaviours, three for attitudes and three for knowledge, for a total of ten points. This score is normalised to range from 0 to 100. Higher scores reflect greater levels of digital financial literacy.

The digital financial literacy score of the population aged 15-79 in Cyprus was 44 out of 100, as shown in Figure 5. Only 10% of people reached the minimum target score on digital financial literacy, which is defined as a scoring at least 70 points out of 100 points.

Figure 5. Digital financial literacy

Average digital financial literacy scores (out of 100), across by socio-demographic groups
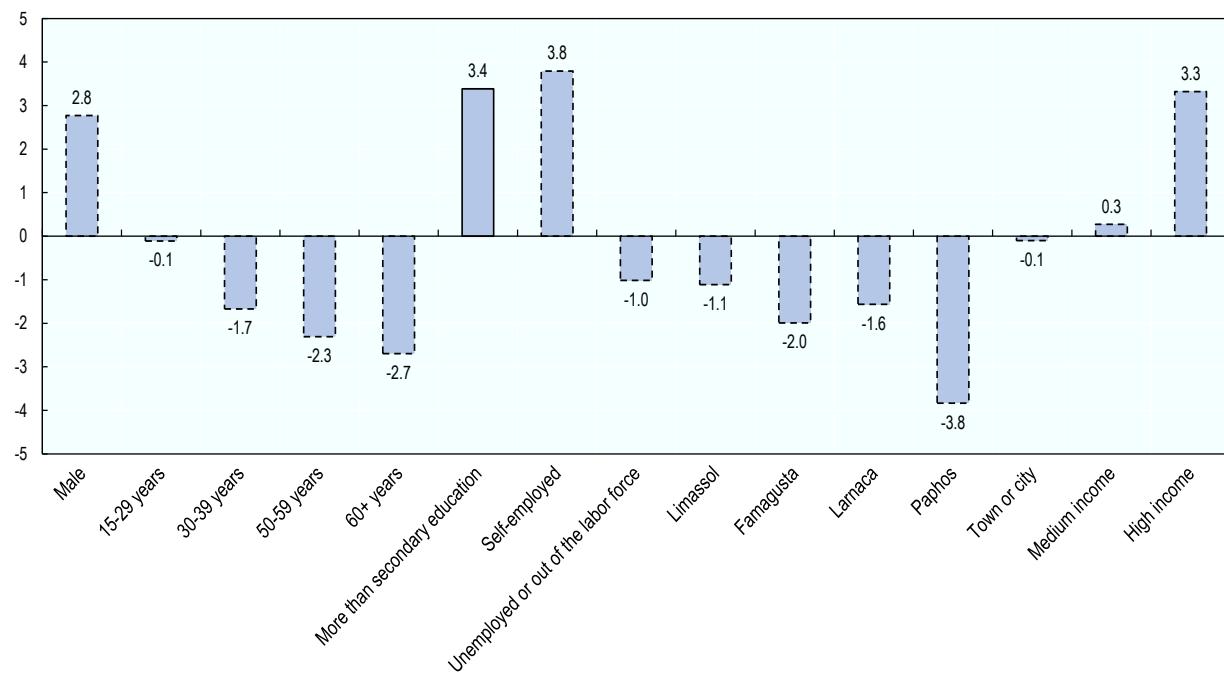
Note: Score calculated using the OECD/INFE methodology (OECD, 2023[8]).
Source: OECD 2023 survey on financial literacy in Cyprus.

Figure 6 reports the results of a multivariate analysis, which concurrently considers multiple socio-demographic variables to isolate and quantify their unique contribution to the observed differences in digital financial literacy. The results show that there are some small variations in digital financial literacy associated with education levels. For example, people with more than secondary education scored three points higher than those with upper secondary education.

Figure 6. Variations in digital financial literacy, by characteristics of the respondent

Score-point differences (out of 100) associated with characteristics of the respondent

Notes: These results are based on a linear regression (OLS), with sampling weights.

Comparison categories are: women, respondents 40-49 years old, respondents with less than upper secondary education, employees, respondents from Nicosia region, respondents from rural areas and respondents with low incomes.

Statistically significant values are marked with a solid border (5% level), whereas non statistically significant values are marked with a dashed border

Source: OECD 2023 survey on financial literacy in Cyprus.

3.2. Digital financial knowledge

Only 12% of people aged 15-79 in Cyprus knew that a digital financial contract does not require signature of a paper contract to be considered valid, while around 82% answered this question incorrectly and 5% responded that they did not know the answer.

Only a small proportion of people (15%) was aware that the personal data they share publicly online can be used to target them with personalised commercial or financial offers. Some 47% of people in Cyprus responded that they did not know the answer to this question and 36% thought that sharing publicly their personal data would not affect the kind of offer they receive.

With regards to crypto-assets, only 18% of people knew that in the country crypto-assets are not legal tender as banknotes and coins, while 25% of people responded that they did not know the answer to this question and 57% did not answer correctly.

Detailed results are presented in Table A B.6.

3.3. Digital financial behaviours

With respect to digital financial behaviours linked to online safety and the protection of personal financial information, most people in Cyprus reported refraining from sharing the passwords and PINs of their bank accounts with close friends (85%), yet some 4% responded that they did not know if they do.

Some 83% of people also responded that they never share information about personal finances online, but around 7% did not know whether they do or not. Regularly changing the passwords used on websites visited for online shopping is not widespread: 18% declared that they regularly change their passwords, 67% never or very rarely did so and 10% of people responded that they did not know if they do.

Those who check if a financial services provider is regulated in Cyprus before buying a financial product online are a minority: only 31% declared always or very often checking it, whereas 50% rarely or never did so and 10% did not know the answer to the question.

Responses to questions that capture sound financial behaviours are presented in Table A B.7.

3.4. Digital financial attitudes

While most people aged 15-79 in Cyprus displayed positive financial attitudes with regards to online safety procedures and reading terms and conditions provided online, a sizeable proportion of people did not know how to answer these questions. For example, only 50% of people thought that it is not safe to shop online using public Wi-Fi networks, and just 64% thought it is important to read terms and conditions when buying something online and pay attention to the security of a website before making a transaction online. Some 14% thought it is not important to read the terms and conditions when buying online, while 12 % did not know what to answer.

Detailed results are presented in Table A B.8.

4 Financial behaviours and outcomes

This section presents results about selected financial behaviours and outcomes that are relevant in the Cypriot context. It focuses on awareness and use of financial products and services, including digital financial services; exposure to financial scams and frauds; behaviours and attitudes related to debt; and financial well-being and financial resilience.

The section focuses on the population aged 18-79 in Cyprus (hereinafter referred to as "adults in Cyprus"), as young people aged 15-17 do not have access to financial products and services in the same way as adults.

4.1. Awareness and use of financial products and services, including digital ones

Collecting data on the access to, and use of, formal financial products and services, including digital ones, is an important diagnostic element for the development and implementation of national financial literacy strategies. Moreover, financial literacy polices can contribute to financial inclusion, in the context of an appropriate financial consumer protection framework, by supporting an informed and safe use of financial products and services (OECD, 2020[1]).

The questionnaire used to measure the financial literacy levels of the Cypriot population includes a set of questions intended to identify people who are aware of or currently hold a comprehensive list of financial products, including digital financial services. In this report, financial products are grouped into the following categories:
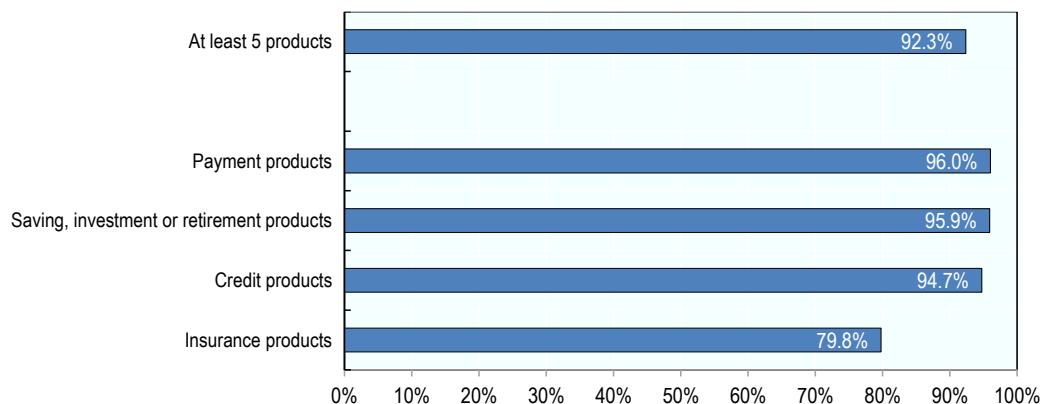
- Payment products, including credit cards, current checking/payment accounts, mobile/cell phone accounts and pre-paid debit cards/payment cards.
- Savings, investment or retirement products, including pension or retirement products (excluding mandatory pensions or saving products), investment accounts, savings accounts, stocks and shares, bonds and crypto-assets.
- Credit products, including credit cards, mortgage or home loans, loans secured on property, unsecured bank loans, car loans and microfinance loans.
- Insurance products, based on a single item in the survey.
- Sustainable products, based on a single item in the survey and concerning any financial products labelled as sustainable, or "ESG", or "green".

4.1.1. Financial products awareness

Financial product awareness is high in Cyprus: 92% of adults have heard of at least five financial products. Some 96% of adults have heard about payment, saving, investment or retirement products. Some 80% of adults have heard about insurance products (see Figure 7).

Figure 7. Financial product awareness by category

Percentage of adults who have heard of the following financial products

Note: results presented in this figure refer to the population age 18-79.
Source: OECD 2023 survey on financial literacy in Cyprus.

4.1.2. Financial products holding
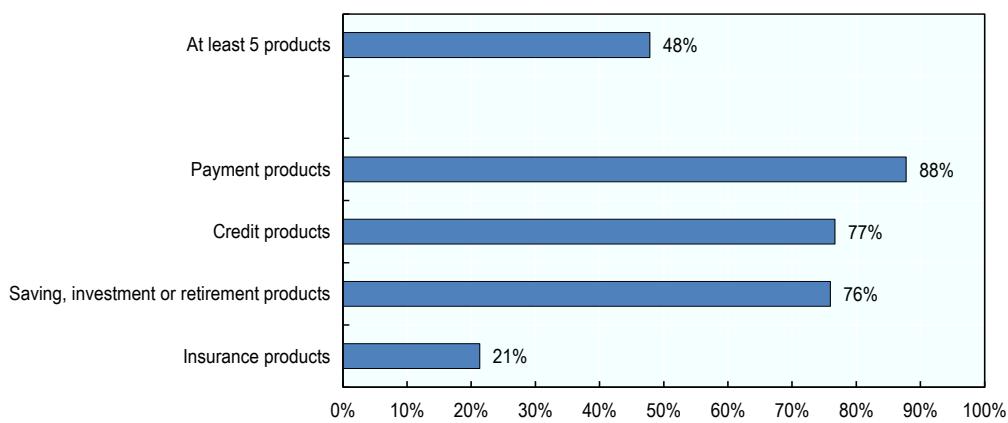
While awareness of many types of financial products is high, holding of these financial products is lower (see Figure 8). Some 94% of adults in Cyprus hold at least a financial product, while only 48% hold at least five financial products.

The financial products most widely held by Cypriot adults are payment products (held by 88% of adults), followed by credit products (77%) and saving, investment or retirement products (76%).

Some kind of insurance was held by only 21% of adults. About 7% hold crypto-assets and about 10% of respondents hold financial products labelled as sustainable or green.

Figure 8. Financial product holding by category

Percentage of adults who hold the following financial products
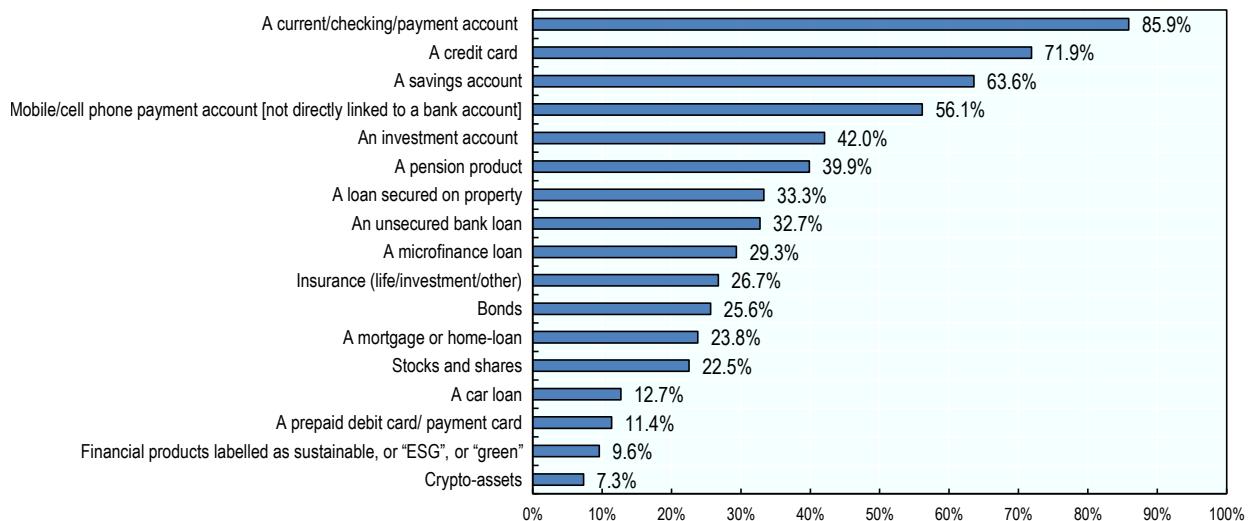
Note: results presented in this figure refer to the population age 18-79.
Source: OECD 2023 survey on financial literacy in Cyprus.

Figure 9 provides detailed information on the percentage of adults who hold each financial product.

Figure 9. Financial product holding

Percentage of adults who hold the following financial products

Note: results presented in this figure refer to the population age 18-79.
Source: OECD 2023 survey on financial literacy in Cyprus.

4.1.3. Financial product holding and financial literacy

It is also important for policy makers to look at measures of financial product holding in relation to financial literacy levels. This can help policy makers understand whether and to what extent adults who hold various types of financial products also display the necessary financial knowledge, behaviour and attitudes to make sound financial decisions.
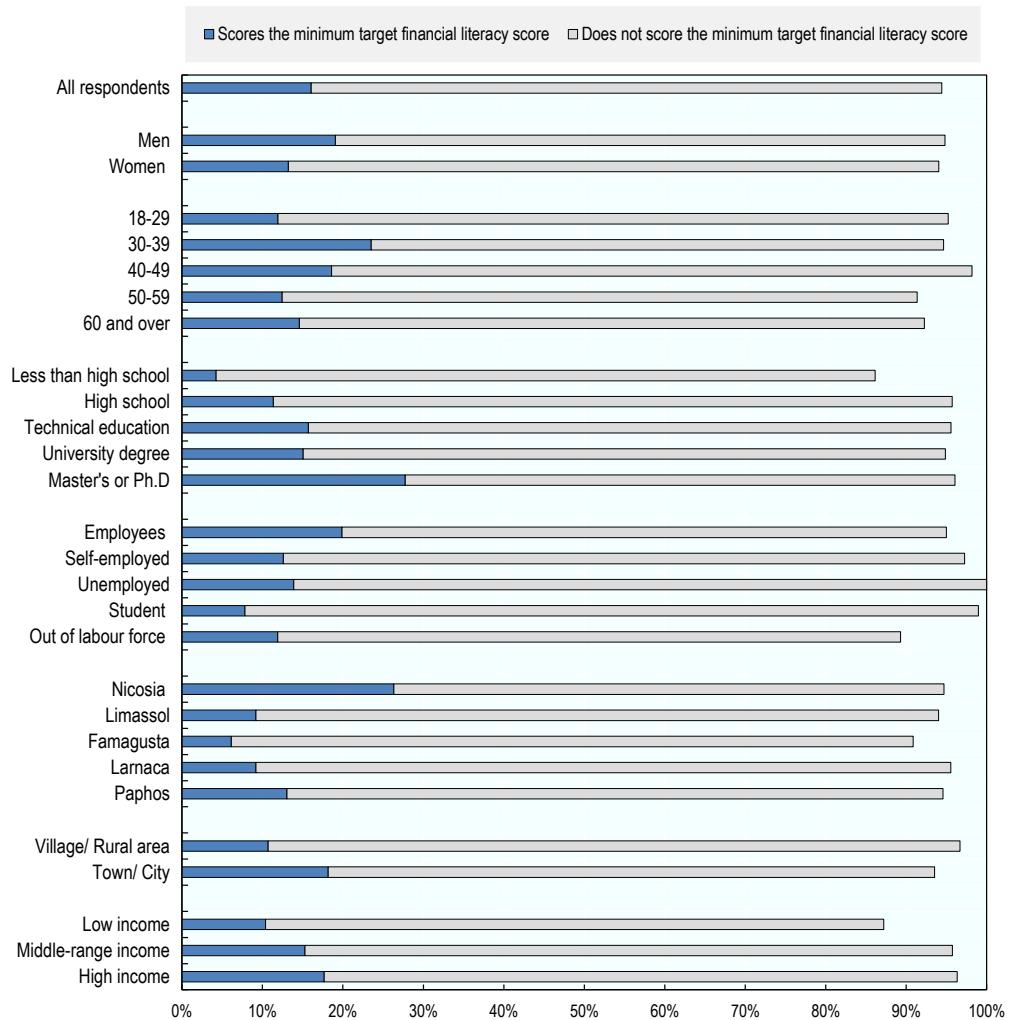
Figure 10 shows the percentage of adults who hold any financial product, by their level of financial literacy. Some 78% of adults held at least a financial product but did not reach the minimum target financial literacy score (meaning that 83% of those who held any type of financial product did not reach the minimum target score of financial literacy). For reference, 84% of all adults aged 18-79 in Cyprus did not reach the minimum target score on financial literacy (OECD, 2023[8]).

For adults who hold credit products, an important facet of financial knowledge is understanding simple and compound interest.

Figure 11 displays the percentage of adults in Cyprus who hold a credit product by knowledge of both simple and compound interest. Some 55% of adults in Cyprus held a credit product but did not understand simple and compound interest (meaning that, out of those who held credit, 72% could not give the correct answers about both questions on simple and compound interest).

Figure 10. Financial product holding and financial literacy

Percentage of adults holding any financial product, by level of financial literacy and across socio-demographic groups
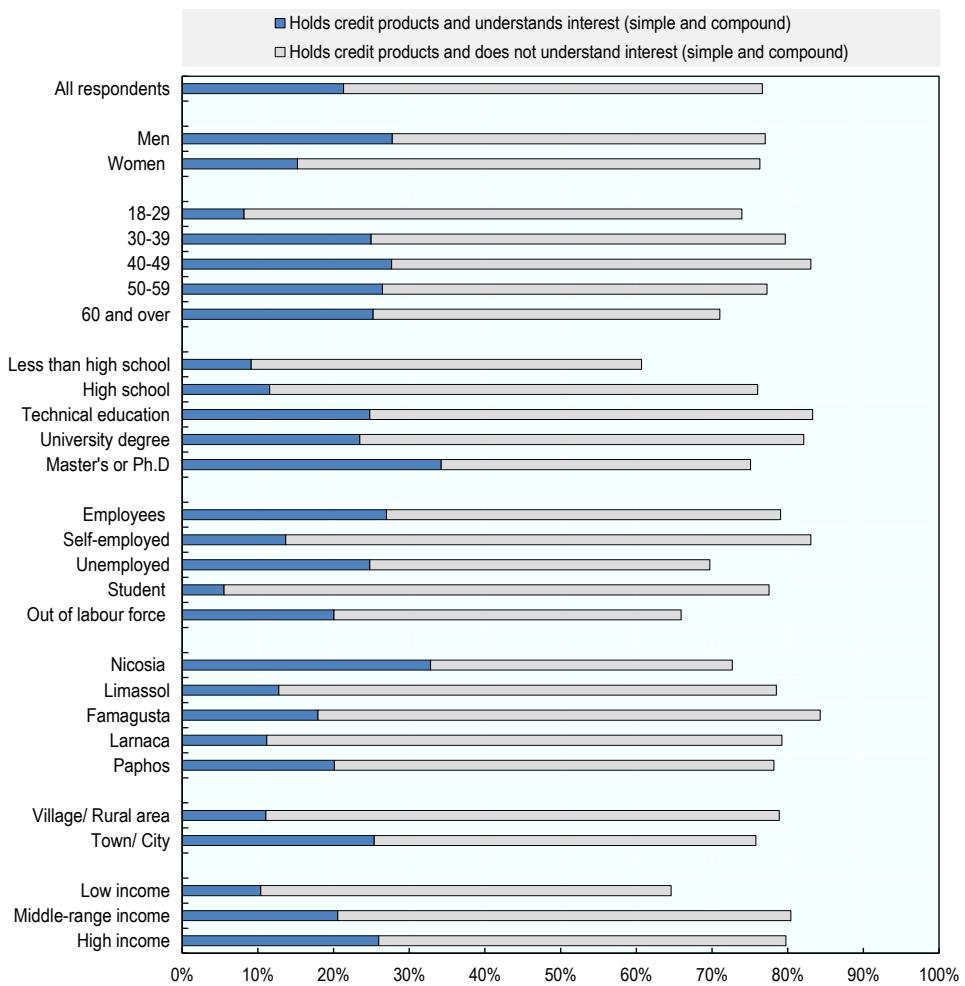
Note: results presented in this figure refer to the population age 18-79.
Source: OECD 2023 survey on financial literacy in Cyprus.

Figure 11. Holding credit products and financial knowledge

Percentage of adults holding a credit product, by knowledge of simple and compound interest and across socio-demographic groups

Note: results presented in this figure refer to the population age 18-79.
Source: OECD 2023 survey on financial literacy in Cyprus.

4.1.4. Digital financial services
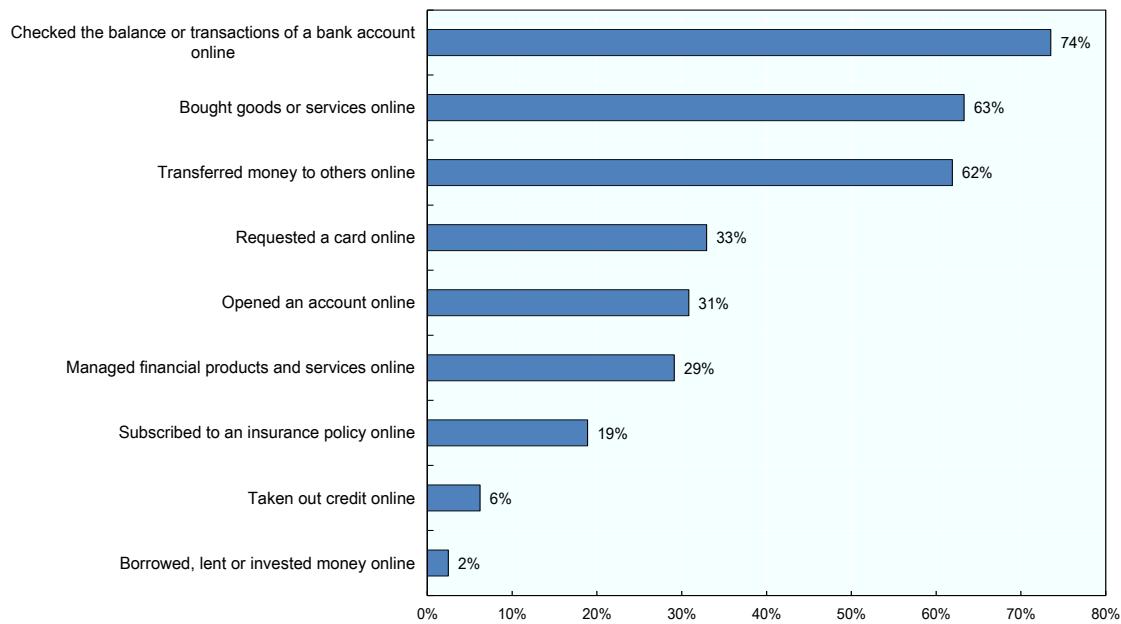
Many financial services can be acquired and managed online, including via mobile phones. The survey included questions to see whether and to what extent adults use digital financial services. This includes actions such as opening a payment account or savings account online, checking the balance and transactions of an account, or managing financial products and services completely online.

The questions related to the use of digital financial services were asked only to adults with internet access. Figure 4.6 reports the percentages of respondents with internet access in Cyprus who use digital financial services.

The results show that 74% of adults with internet access have checked the balance or transactions of their bank account online, 63% have bought goods or services online and 62% have transferred money online. Only 6% have taken credit online and 2% borrowed, lent, or invested money online.

Figure 12. Using digital financial services

Percentage of adults with internet access who have used the following digital financial services

|	
Checked the balance or transactions of a bank account online	74%
Bought goods or services online	63%
Transferred money to others online	62%
Requested a card online	33%
Opened an account online	31%
Managed financial products and services online	29%
Subscribed to an insurance policy online	19%
Taken out credit online	6%
Borrowed, lent or invested money online	2%

Note: results presented in this figure refer to the population age 18-79.
Source: OECD 2023 survey on financial literacy in Cyprus.

4.2. Financial scams and frauds
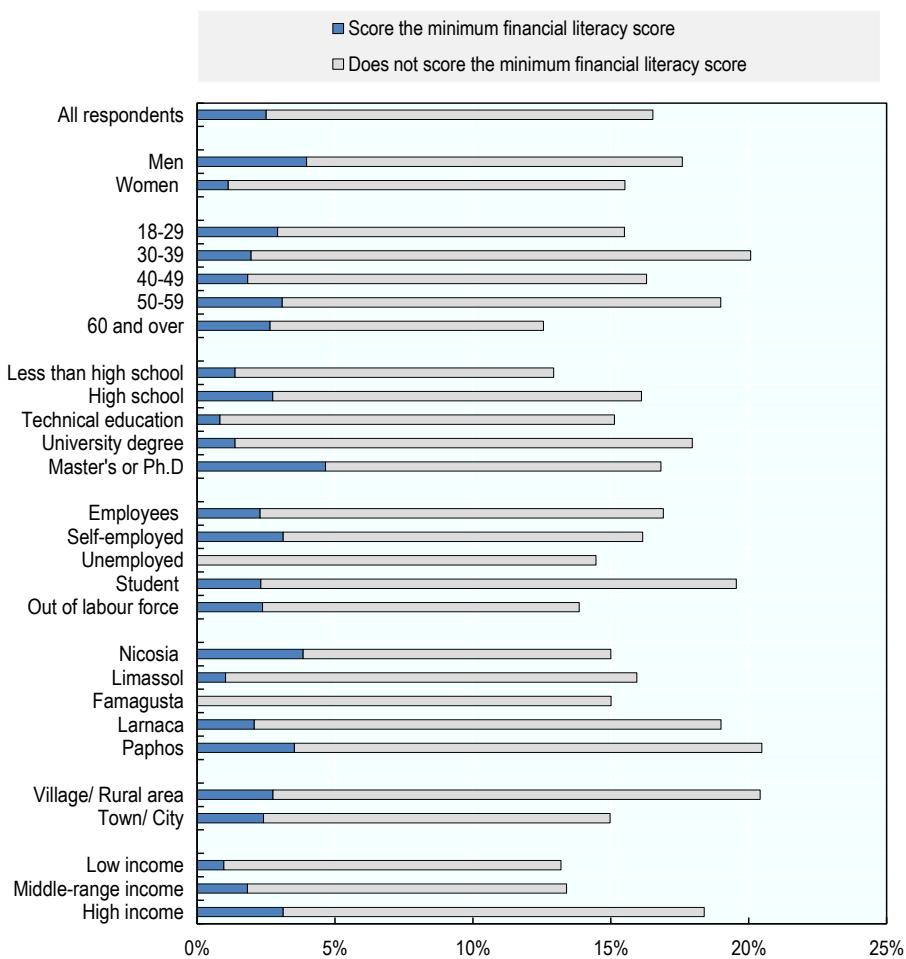
One negative experience associated with financial transactions is falling victim to financial scams or frauds. The survey asked respondents if they had been a victim of a phishing scam or of an investment scam or if they had been scammed into providing personal information in the two years before the survey. Some 17% of adults reported that they had been a victim of at least one of the three types of financial scams or frauds. Some 7% had accepted advice to invest in a financial product that they later found to be a scam, some 9% discovered that someone had used their card details to pay for goods without their authorisation. Some 3% had accidently provided personal financial information in response to an e-mail, phone call or social media message that was not genuine.

It is helpful for policy makers to also look at financial scams and frauds in relation to financial literacy levels. This can help policy makers understand whether and to what extent adults have the financial literacy to spot and avoid financial scams and frauds.

Figure 13 shows the percentage of adults who have been a victim of one of these types of financial scams or frauds by level of financial literacy and by socio-demographic variables. The results shows that 14% of adults in Cyprus have been victims of financial scams or frauds and did not reach the minimum financial literacy target score (meaning that 85% of those who have been victims of scams or frauds did not reach basic levels of financial literacy).

Figure 13. Having been a victim of financial scams or frauds and financial literacy

Percentage of adults who have been a victim of financial scams or frauds, by level of financial literacy and across socio-demographic groups



Note: results presented in this figure refer to the population age 18-79.
Source: OECD 2023 survey on financial literacy in Cyprus.

4.3. Credit and debt

Access to credit, under an appropriate regulatory framework and by informed consumers, can make a positive contribution to financial well-being. However, not fully understanding the consequences of entering into a credit agreement or becoming too reliant on credit can set the basis for unsustainable levels of debt, with negative implications on financial well-being.

Looking at how Cypriot adults perceive their relationship with credit instruments and debt is particularly relevant, given the high levels of non-performing loans (NPL) in Cyprus. The Cyprus economy still records one of the highest NPL ratios in the EU despite substantial progress in recent years. The NPL ratio has decreased to 7.9% in December 2023[3] down from 9.5% a year earlier, however it remains above the EU average of 1.8% (EU, 2024[11]).

The survey gathered information on the perception of the Cypriot population about their levels of debt, as well as their behaviour towards debt repayment (e.g. late repayment of loans or mortgages). Some 77%

of adults reported having some form of credit product (slightly less than the percentage of adults having saving, investment or retirement product, that it 76%), as shown in Figure 8.

When asked if they felt they had too much debt at the time of the interview, 22% of adults indicated that they agreed or completely agreed. The percentage of adults who felt they had too much debt was particularly high among those with technical education (30%) and among low-income people (28%).
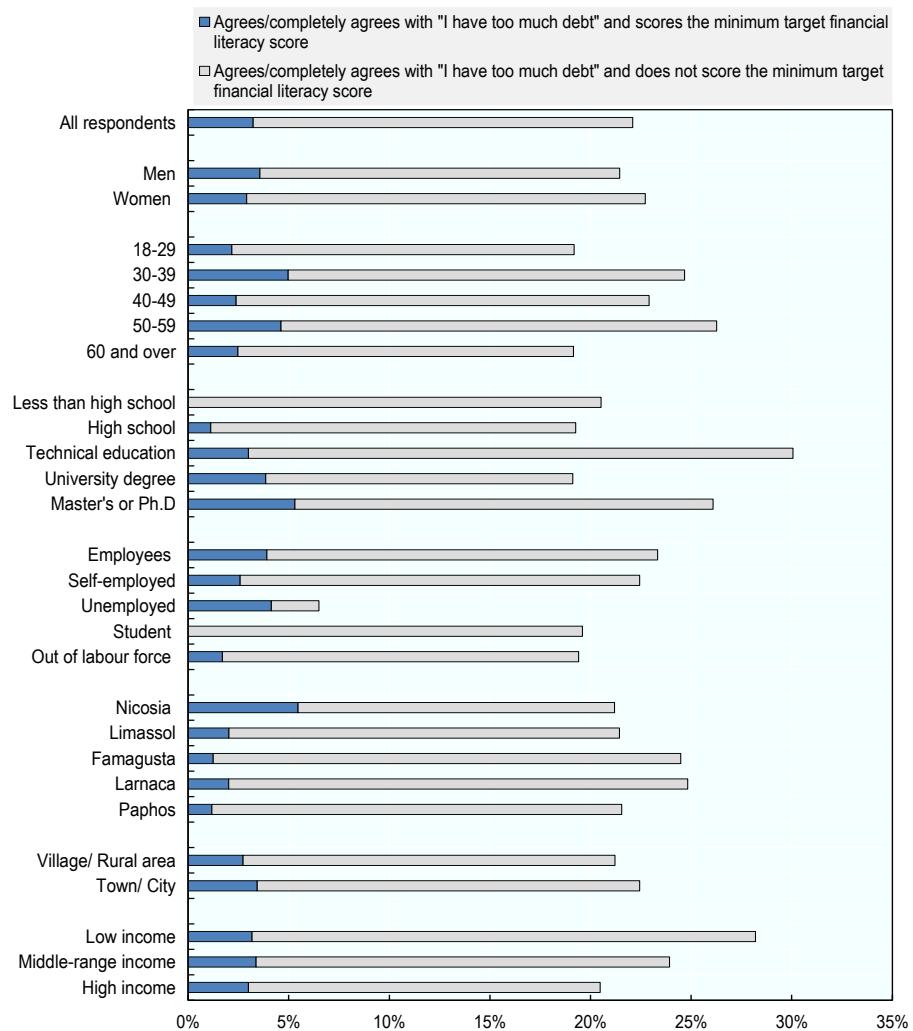
Table A B.9 shows the percentage of adults who indicated that they agreed or completely agreed with the statement "I have too much debt right now" across socio-demographic groups.

It is helpful for policy makers to also look at the level of debt in relation to financial literacy levels. This can help policy makers understand whether and to what extent respondents have the financial literacy level to help make informed decisions and avoid over indebtedness.

Figure 14 shows the percentage of adults who agreed or completely agreed that they had too much debt at the time of interview, by financial literacy levels. Some 19% of adults in Cyprus felt that they had too much debt and did not reach the minimum target financial literacy score (meaning that 86% of those who reported having too much debt did not attain the minimum target financial literacy score).

Figure 14. Having too much debt and financial literacy levels

Percentage of adults agreed/completely agreed that they have too much debt at the time of interview, by level of financial literacy and across socio-demographic groups

Note: results presented in this figure refer to the population age 18-79.
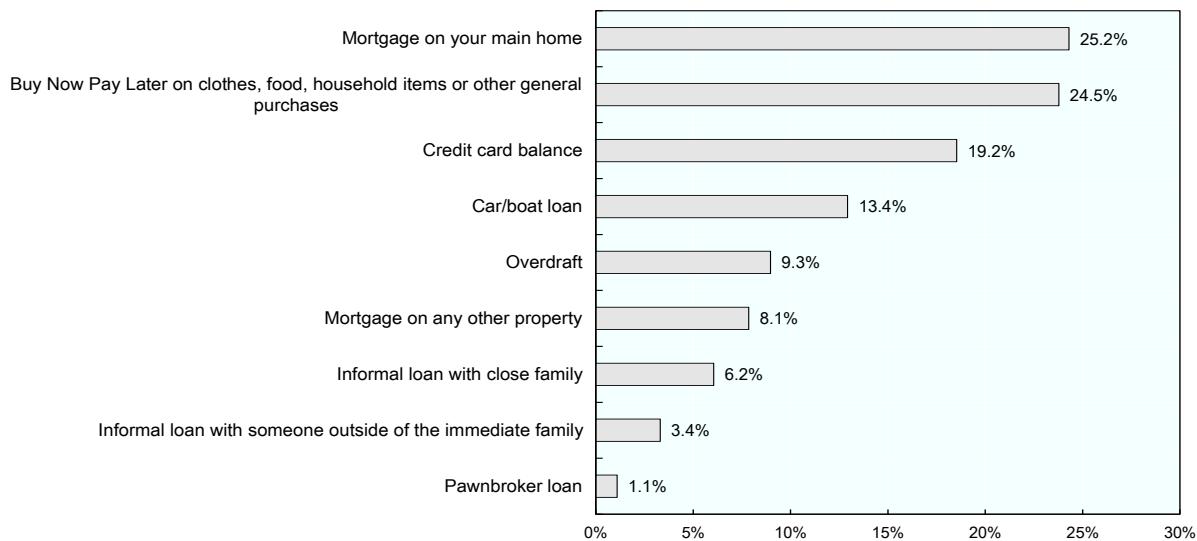
Source: OECD 2023 survey on financial literacy in Cyprus.

The survey also gathered information to understand the behaviour of the Cypriot population related to debt repayment.

Figure 15 shows the percentage of adults who indicated that they are responsible for repaying any of the loans listed below, at the time of the interview. Around 25% are responsible for repaying a mortgage on their main home, another 25% for repaying Buy Now, Pay Later arrangements and 19% for managing credit card balances.

Figure 15. Loan repayment

Percentage of adults who indicated that they are responsible for repaying any of the loans listed below, at the time of the interview
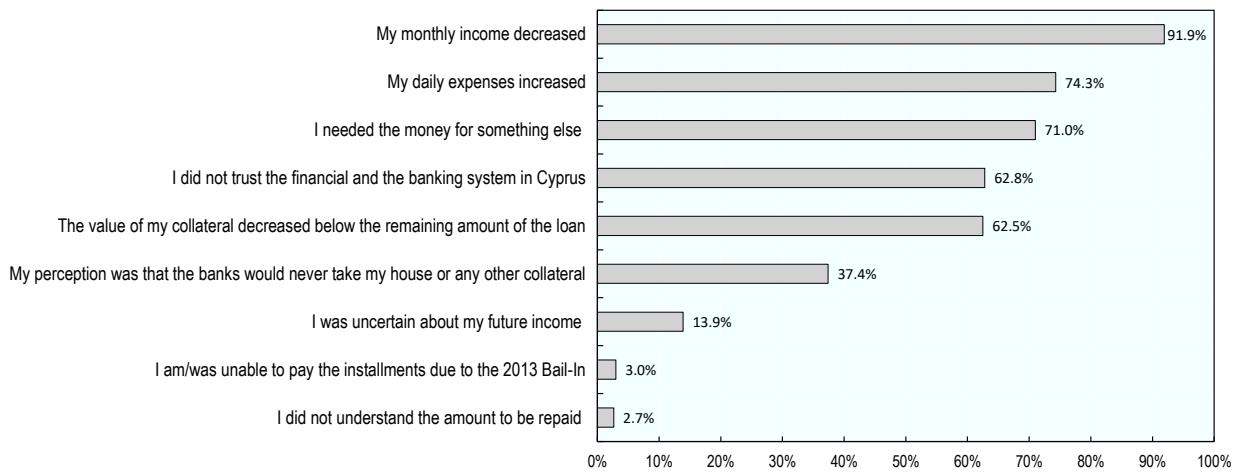
Note: results presented in this figure refer to the population age 18-79.
Source: OECD 2023 survey on financial literacy in Cyprus.

The survey also asked respondents whether in the past they or someone in their household had ever been late with any loan or mortgage payments. Some 3% of adults indicated that they had been late with loan or mortgage payments in the 12 months before the interview, 12% of adults had been late with a repayment more than 12 months before the interview but after 2013 and 9% of adults mentioned that they had been late with a repayment prior to 2013 (prior to the financial crisis in Cyprus).

Of those who replied that they or someone in their household had been late with a repayment in the 12 months before the survey, 24% indicated that they had been late by 90 days or more. Of those who had been late with a repayment more than 12 months before the survey (after 2013), 22% indicated that they had been late by 90 days or more. Among the adults with late payments prior to 2013, 13% had been late by 90 days or more. Figure 16 shows the reasons given by respondents for not repaying a loan or mortgage on time.

Figure 16. Reasons for not repaying a loan on time

Percentage of adults with a loan who reported the following reasons for not repaying their loan on time

Notes: the respondent could give up to three reasons starting with the most important. Results presented in this figure refer to the population age 18-79.
Source: OECD 2023 survey on financial literacy in Cyprus.

4.4. Financial well-being and resilience

The survey also includes several variables that allow insights to be gained about levels of financial well-being, including about the financial resilience of the population. Financial literacy can support greater financial resilience and well-being by helping individuals build and mobilise financial resources, and to develop savvy approaches to managing their finances (OECD, 2024[7]).

4.4.1. Financial well-being

Financial well-being is defined as a state in which individuals are able to smoothly manage their financial needs and obligations, can cope with negative shocks, can pursue aspirations, goals and capture opportunities, and feel satisfied and confident about their financial lives, keeping in mind country specific circumstances (OECD, 2024[7]).

Several questions measure subjective aspects of financial well-being, or adults' perceptions and feelings about their financial situation. This includes questions asking respondents whether they are satisfied with their current financial situation, whether they feel they have too much debt and whether they worry about paying living expenses. Other questions ask respondents whether they are concerned their money won't last, whether they feel that their financial situation controls their life and to what extent their finances limit their ability to do things that are important to them.

In terms of subjective aspects of financial well-being, 50% of adults in Cyprus reported that they are satisfied with their present financial situation. However, 22% of adults reported that they were just getting by financially, 43% felt that their finances controlled their lives and 24% felt concerned that their money would not last. Some 33% of adults tended to worry about paying their normal living expenses and 38% thought that their finances limited their ability to do important things. Table A B.9 shows the percentage of adults in Cyprus who reported each aspect of subjective financial well-being by socio-demographic groups. High-income adults displayed higher subjective financial well-being than low-income adults.

4.4.2. Financial resilience

Financial resilience is defined as the ability of individuals or households to resist, cope with and recover from negative financial shocks (OECD, 2021[6]). Such negative shocks can be specific to the individual or household and include unexpected events related to employment, health, changes in family composition, or damages to possessions and unexpected expenses. Financial resilience depends on various factors, including the availability of financial resources to cope with the effects of negative shocks.[4]

Questions related to financial resilience asked respondents whether their income covered their living expenses in the 12 months before the survey, how long they could continue to cover living expenses without borrowing or moving house if they lost their main source of income and if they could pay a major expense without borrowing money or asking family or friends to help.

In Cyprus, only 22% of adults reported that they could face a major expense, equivalent to their monthly income, without borrowing the money or asking family or friends to help. In addition, 39% had experienced situations where their income did not cover their living costs in the 12 months prior to the survey. Only 60% of adults could continue to cover their living expenses for at least three months without borrowing money or moving house if they lost their main source of income.

As shown in Table A B.10 there are some variations across socio-demographic groups. Overall, adults with a master's degree or higher levels of education displayed higher financial resilience than adults with lower education degrees, as well as those in employment compared with the unemployed. In terms of region of residence, those living in Nicosia reported higher financial resilience than adults living in other parts of the country.

5 Policy suggestions

The results of the survey undertaken in 2023 among the population aged 15-79 in Cyprus provide evidence for the need to increase the financial literacy levels across the population and highlight specific areas requiring greater attention. There is significant room for improving financial literacy levels, as the average overall financial literacy score in Cyprus was 56 out of 100. Moreover, overall levels of digital financial literacy are also limited, with Cyprus scoring 44 out of 100.

Based on these results, a series of policy suggestions can be put forward for policy makers and stakeholders in Cyprus to consider as they implement and monitor the National Strategy for the Promotion of Financial Literacy and Education. These policy suggestions are expected to support Cyprus in improving financial literacy levels, including on aspects related to digital financial literacy, in order to support sound financial decisions, financial resilience and financial well-being. Particular attention could be devoted to the following areas:

- *Continuing to enhance basic financial knowledge, which is essential for individuals to make informed financial decisions about budgeting, planning and saving.* Financial knowledge is particularly limited among the population aged 15-79 in Cyprus, especially in certain areas such as compound interest and risk diversification. These competencies are especially crucial for adults holding saving and credit products, as they can support effective money management and the capacity to build financial resilience. For example, some 72% of credit holders in Cyprus could not correctly answer questions about simple and compound interest.

- *Encouraging individuals to cultivate positive behaviours and attitudes towards keeping track of money in the short term and setting up long-term goals.* Only small proportions of the population aged 15-79 in Cyprus actively manages their personal finances (23%), pays bills on time (26%) and sets long-term financial goals (32%). Fostering these competencies may support financial resilience and facilitate effective long-term financial and retirement planning, promote wealth accumulation, and reduce reliance on credit.

- *Supporting sound financial behaviours that can foster an informed and safe use of financial services.* In Cyprus, some 83% of those who held any type of financial product did not reach the minimum target score of financial literacy. Moreover, many people in Cyprus did not commonly engage in behaviours such as comparing financial products (only 30% of people reported doing so) or seeking advice from independent sources (only 28% reported doing so). These practices are essential to make informed financial decisions and choose financial products or services that align with consumers' specific needs.

- *Enhancing digital financial literacy to support the safe use of digital financial services.* Many adults in Cyprus use digital financial services, by buying goods or services online (63% of adults with internet access) or transferring money online (62%). However, many of them lack the necessary knowledge and skills to manage their finances safely in a digital environment. For example, only 15% were aware that the personal data they share publicly online can be used to target them with personalised commercial or financial offers and only 50% thought that it is not safe to shop online using public Wi-Fi networks. Fostering these competencies can help adults take advantage of the opportunities offered by digital financial services, while being safe in online transactions.

- *Empowering consumers to protect themselves against financial scams and frauds.* The report also reveals that 17% of adults in Cyprus had been victims of at least one of types of financial scam or fraud, such as phishing or investment scams, in the two years preceding the survey. Among those affected, some 85% did not score the minimum target financial literacy score. Fostering greater financial literacy can be a way to empower consumers to recognise these threats and enhance their resilience against them, alongside a robust financial consumer protection framework.

- *Empowering people to manage their debt obligations.* Some 77% of adults reported having some form of credit and 22% of adults felt that they had too much debt at the time of interview. Among adults with too much debt, 86% failed to achieve the minimum target financial literacy score. Additionally, some 3% of adults indicated that they were late with loan or mortgage payments in the 12 months before the survey and 24% of those were late by 90 days or more. Improving financial literacy levels can help people in Cyprus cultivate sound financial habits and make informed debt management decisions.

In addressing these policy suggestions, it will be important for policy makers and stakeholders in Cyprus to take into account some further considerations regarding target groups and delivery channels:

- *Target groups.* The results show some, albeit limited, variations in financial literacy and digital financial literacy across socio-demographics groups, suggesting that it is important to target groups who display lower financial literacy and digital financial literacy, such as people with lower levels of income and education, women, the unemployed, those out of the labour force, youth and elderly, as well as people living outside of Nicosia.

- *Delivery channels.* It will also be important for policy makers and stakeholders in Cyprus to consider the most effective delivery methods and settings. For example, digital technologies can help to disseminate tailored content widely and quickly (OECD, 2022[4]). At the same time, it will be important to also consider a combination of delivery methods to reach different audiences appropriately (e.g. also reaching those who do not use digital technologies), such as implementing face-to-face training and delivering financial education in the workplace or through traditional media (OECD, 2020[1]). In doing this, it will be crucial to start financial education as early as possible, in order to foster sound knowledge and positive habits towards money management in the population (OECD, 2020[1]). Integrating financial literacy and digital financial literacy in school curricula, collaborating with universities, and providing financial literacy to youth through extra-curricular activities can be important initiatives to develop a solid foundation. Moreover, the implementation of financial education initiatives should be accompanied with monitoring and evaluation to understand what initiatives are effective, and what are the areas that need further work, for example in supporting behavioural changes (OECD, 2020[1]).

Annex A. Methodological information

The questionnaire

The questionnaire used for this survey was based on the OECD/INFE 2022 Toolkit to measure financial literacy and inclusion (OECD, 2022[2]). In addition to financial literacy (including its financial behaviour, attitudes and knowledge components), the Toolkit captures evidence about digital financial literacy, as well as financial outcomes, such as financial inclusion, financial resilience and financial well-being.

The OECD/INFE 2022 Toolkit was adapted to take into account the specificities of the Cypriot population and economy, in consultation with the Central Bank of Cyprus, the Ministry of Finance of Cyprus and the European Commission's SG REFORM. In particular, the survey incorporated some questions from a previous financial literacy survey conducted by the Central Bank of Cyprus in 2018 (Kyriacou et al., 2024[3]). These additional questions focus on debt repayment, financial goals and additional socio-demographic variables, allowing for a more in-depth analysis of these issues.

Sample and methodology

The survey was initially conducted in June-August 2023 on a representative sample of the Cypriot population aged 18-79. Additional data was collected on young people aged 15-17 in November-December 2023. The final sample consisted of 1 360 observations aged 15-79.

The survey was conducted by Insights Market Research (IMR) Ltd. Data was collected using a mixed-method approach, with 76% of final observations coming from telephone interviews (Computer Aided Telephone Interviews, CATI) and 24% from face-to-face interviews (Computer Aided Personal Interviews, CAPI). A structured questionnaire on computers was used for both methods (CATI/CAPI). All participants, whether interviewed by telephone or in person, were asked to give their consent for their details to be kept for future surveys. For participants aged 15-17, parental consent was acquired prior to their involvement in the study.
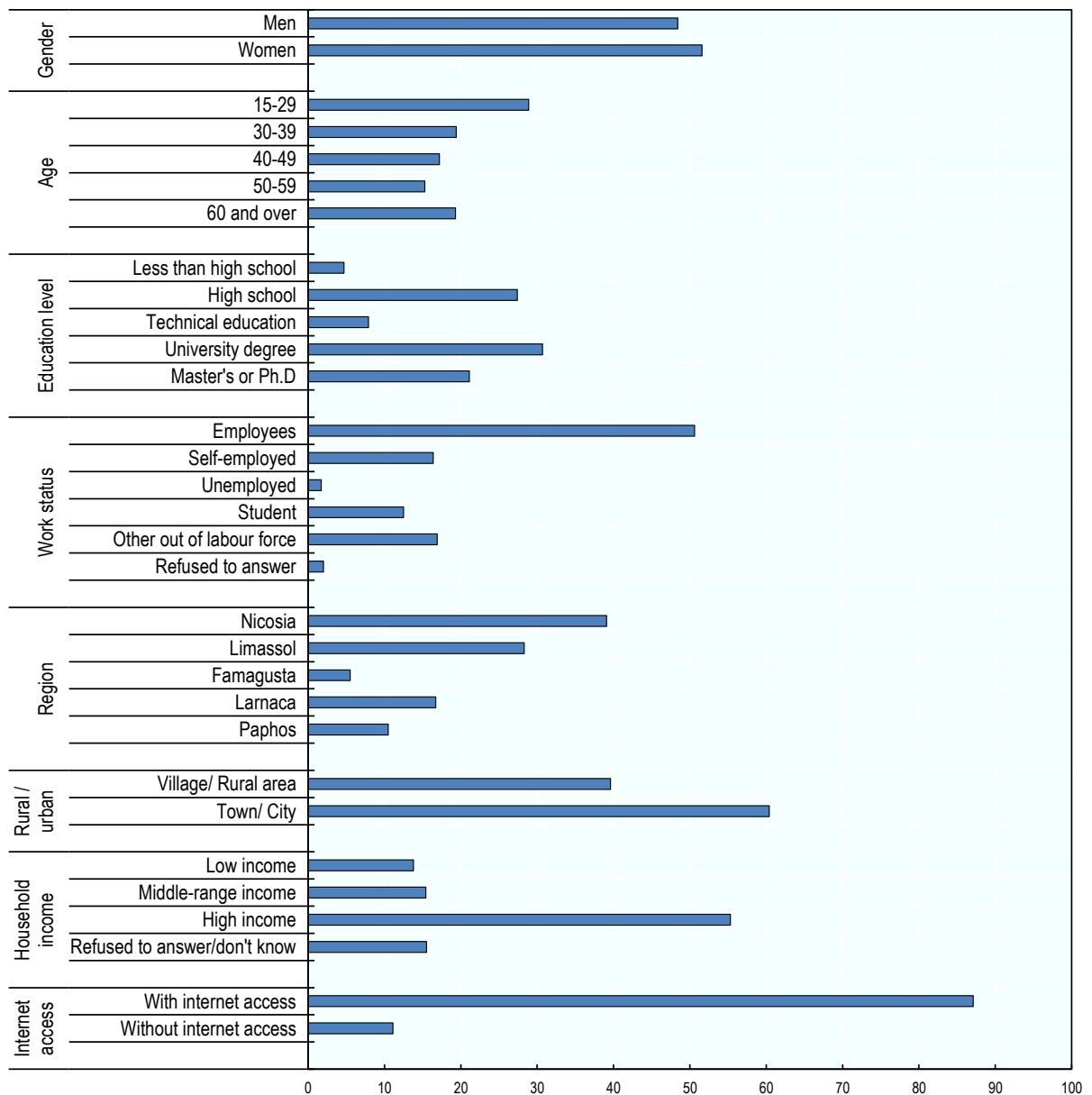
Figure A A.1 presents the distribution of the sample by key socio-demographic variables.

Comparability

The results presented in the section 2 on Financial literacy and section 3 on Digital financial literacy are not directly comparable with the evidence collected for the OECD/INFE 2023 International Survey of Adult Financial Literacy (OECD, 2023[8]), which focuses on results for respondents aged 18-79, while the present report includes results for a broader age range, i.e. 15-79.

The results of this survey complement the results of a previous financial literacy survey conducted by the Central Bank of Cyprus in 2018 (Kyriacou et al., 2024[3]) and a study conducted by researchers in Cyprus (Andreou and Anyfantaki, 2021[12]).

Figure A A.1. Sample description

Source: OECD 2023 survey on financial literacy in Cyprus.

Note: Results presented in this figure refer to the full sample (i.e. population age 15-79) and are based on weighted data.

Annex B. Tables of the results presented in the report

Table A B.1 Minimum target financial literacy

Percentage of people who scored 70 points or more (out of 100) on financial literacy, across socio-demographic groups

		Percentage of people reaching the minimum financial literacy target score	Percentage of people reaching the minimum financial knowledge target score	Percentage of people reaching the minimum financial behaviour target score
All		16.6	71.7	20.2
Gender	Men	19.6	70.1	21.0
	Women	13.8	73.2	19.4
Age	15-29	12.9	58.8	21.9
	30-39	23.5	74.4	23.4
	40-49	19.1	80.1	21.8
	50-59	14.2	78.1	15.5
	60 and over	14.8	75.7	16.5
Education level	Less than high school	8.2	45.8	17.7
	High school	11.5	64.4	16.6
	Technical education	15.7	76.1	20.4
	University degree	15.6	77.2	19.2
	Master's or Ph.D	28.8	80.0	26.0
Work status	Employees	20.6	79.7	22.0
	Self-employed	12.6	76.5	14.1
	Unemployed	13.9	69.3	16.3
	Student	10.5	44.3	25.7
	Out of labour force	12.2	65.1	15.2
Region	Nicosia	27.0	67.9	28.4
	Limassol	9.6	75.0	14.2
	Famagusta	6.0	71.1	12.6
	Larnaca	9.8	72.5	15.3
	Paphos	13.1	76.2	17.4
Rural/urban	Village/ Rural area	11.0	66.3	16.2
	Town/ City	18.8	73.9	21.7
Income	Low income	10.6	54.7	17.9
	Middle-range income	15.6	72.4	21.7
	High income	18.1	79.4	19.1

Source: OECD 2023 survey on financial literacy in Cyprus.

Table A B.2. Financial knowledge questions

Percentage of people who answered correctly each financial knowledge question, across socio-demographic groups

		Time value of money	Interest on a loan	Simple interest calculation	Compound interest calculation	Risk and return	Definition of inflation	Risk diversification
All		82.2	90.6	77.0	34.2	88.9	87.6	50.8
Gender	Men	84.2	90.3	75.5	42.0	88.8	87.7	53.5
	Women	80.3	90.8	78.3	27.0	88.9	87.5	48.3
Age	15-29	75.9	85.9	70.9	24.9	84.1	75.6	44.8
	30-39	84.2	94.6	78.9	39.5	88.7	93.6	50.2
	40-49	86.2	95.3	86.7	39.5	92.6	89.4	53.8
	50-59	85.5	90.3	77.2	37.8	91.5	95.0	52.7
	60 and over	83.3	89.7	75.1	36.6	90.8	92.1	56.3
Education level	Less than high school	65.1	68.9	57.5	28.3	74.9	71.8	41.8
	High school	82.6	92.5	70.4	23.0	88.2	85.1	47.4
	Technical education	84.5	92.8	84.3	34.3	88.2	89.9	55.8
	University degree	84.5	93.2	83.8	34.2	92.7	90.1	47.9
	Master's or Ph.D	87.3	95.4	83.3	51.7	92.5	95.2	63.5
Work status	Employees	83.4	93.8	81.7	40.4	5.3	92.5	55.9
	Self-employed	88.0	95.1	84.3	24.0	7.9	90.4	47.2
	Unemployed	78.7	96.2	78.7	42.2	25.3	91.4	53.0
	Student	71.0	76.1	60.7	24.4	11.7	65.5	39.4
	Out of labour force	82.2	87.5	67.7	32.8	8.0	86.3	49.4
Region	Nicosia	71.2	90.7	73.2	52.4	87.0	87.7	56.8
	Limassol	91.5	91.3	80.8	22.6	88.1	88.1	49.8
	Famagusta	87.8	88.0	70.4	21.2	90.7	85.3	44.0
	Larnaca	89.5	89.9	79.5	19.9	89.7	85.5	45.5
	Paphos	83.4	90.8	80.0	27.5	95.6	90.5	43.3
Rural/urban	Village/ Rural area	85.0	89.3	73.1	19.1	87.4	85.5	44.7
	Town/ City	81.1	91.1	78.5	40.3	89.4	88.4	53.3
Income	Low income	73.5	87.9	61.0	27.6	85.3	79.1	39.0
	Middle-range income	81.6	90.5	72.4	33.8	89.7	90.9	53.1
	High income	87.8	94.3	83.7	37.1	91.9	90.7	54.7

Source: OECD 2023 survey on financial literacy in Cyprus.

Table A B.3. Self-reported financial knowledge

Percentage of people who reported to have high or very high financial knowledge, across socio-demographic groups

		Percentage of people self-reporting high or very high financial knowledge	Percentage of people self-reporting high or very high financial knowledge AND reaching the minimum financial knowledge target score	Percentage of people self-reporting high or very high financial knowledge AND NOT reaching the minimum financial knowledge target score
All		25.1	18.8	6.3
Gender	Men	32.8	25.3	7.5
	Women	18.0	12.8	5.1
Age	15-29	24.4	12.4	11.9
	30-39	24.0	20.2	3.7
	40-49	29.0	24.1	4.9
	50-59	25.0	20.4	4.6
	60 and over	24.1	21.1	3.0
Education level	Less than high school	22.7	8.1	14.6
	High school	19.4	12.4	7.0
	Technical education	25.6	18.7	6.9
	University degree	25.9	21.0	4.9
	Master's or Ph.D	33.7	30.9	2.8
Work status	Employees	25.6	22.6	3.1
	Self-employed	25.5	19.2	6.3
	Unemployed	18.9	18.9	0.0
	Student	29.1	8.2	20.9
	Out of labour force	22.1	17.1	5.3
Region	Nicosia	30.8	24.4	6.3
	Limassol	18.8	13.3	5.6
	Famagusta	18.2	11.0	7.2
	Larnaca	23.7	18.0	5.7
	Paphos	27.0	18.5	8.5
Rural/urban	Village/ Rural area	18.9	11.3	7.6
	Town/ City	27.6	21.8	5.7
Income	Low income	17.9	11.0	6.9
	Middle-range income	17.9	13.4	4.5
	High income	27.7	23.1	4.6

Source: OECD 2023 survey on financial literacy in Cyprus.

Table A B.4. Financial behaviour questions

Percentage of people who reported each financial behaviour, across socio-demographic groups

		Keeps track of money in the short term	Actively saves	Did not borrow to make ends meet	Compared financial products across providers	Sought advice from non-independent source(s)	Sought advice from independent source(s)	Closely watches personal financial affairs	Sets long-term financial goals	Makes considered purchases	Pays bills on time
All		68.0	84.6	73.1	29.7	10.4	28.3	23.1	32.0	21.4	26.2
Gender	Men	67.9	83.8	72.7	27.6	10.2	25.9	26.6	33.5	23.4	29.1
	Women	68.1	85.3	73.4	31.6	10.5	30.9	19.8	30.6	19.6	23.4
Age	15-29	68.5	90.8	73.3	27.9	9.8	33.1	20.4	34.2	21.1	24.7
	30-39	71.3	84.8	70.1	31.3	10.9	28.5	27.3	29.6	22.0	27.7
	40-49	76.4	81.9	70.4	29.8	10.8	28.2	24.6	35.2	19.3	26.5
	50-59	62.1	79.3	71.6	28.2	10.2	26.3	22.1	33.4	20.5	22.4
	60 and over	61.3	81.4	79.7	31.7	10.5	22.7	22.5	27.1	24.0	29.4
Education level	Less than high school	54.7	83.5	76.6	17.4	11.3	17.0	25.0	27.4	26.4	33.9
	High school	65.2	84.1	70.8	25.7	7.8	32.4	22.7	31.4	18.6	20.8
	Technical education	72.5	82.2	67.0	37.9	9.3	30.7	19.5	33.1	22.9	23.3
	University degree	73.3	85.7	73.9	33.3	9.4	24.6	19.2	30.3	17.7	22.0
	Master's or Ph.D	70.4	87.2	74.0	33.5	15.6	34.7	27.9	35.9	25.1	34.1
Work status	Employees	73.0	84.6	69.3	30.5	11.9	29.1	24.8	35.3	22.2	28.1
	Self-employed	68.9	83.7	73.9	36.8	7.2	28.1	16.5	26.8	11.7	15.4
	Unemployed	66.2	96.5	55.2	24.8	3.3	32.5	30.5	32.7	16.8	22.9
	Student	61.0	94.3	79.9	19.3	9.8	37.1	26.2	35.7	22.2	26.4
	Out of labour force	56.9	79.1	80.8	29.8	11.1	20	19.4	23.8	25.0	28.0
Region	Nicosia	69.9	83.3	74.2	28.4	11.5	28.5	32.3	38.2	33.7	41.0
	Limassol	68.2	85.6	74.4	31.6	14.7	22.4	18.0	27.7	14.9	17.1
	Famagusta	55.8	84.4	68.3	27.4	1.8	27.1	13.8	23.2	6.3	13.9
	Larnaca	69.3	86.0	67.7	30.5	5.9	25.0	19.2	30.1	14.5	18.1
	Paphos	65.1	84.6	76.2	29.1	6.2	49.3	14.1	28.2	12.0	14.3
Rural/ urban	Village/ Rural area	66.4	82.7	70.4	31.9	6.4	30.7	19.8	30.9	14.8	16.6
	Town/ City	68.7	85.3	74.1	28.7	12.0	27.4	24.4	32.4	24.1	30.0
Income	Low income	74.0	81.3	74.9	27.5	10.9	20.9	16.5	27.0	24.5	25.5
	Middle-range income	65.8	85.9	69.6	27.6	8.9	24.6	23.9	37.8	26.2	30.0
	High income	68.4	84.8	72.5	32.8	10.1	32.4	23.5	30.6	17.4	22.3

Source: OECD 2023 survey on financial literacy in Cyprus.

Table A B.5. Financial attitude questions

Percentage of people who disagreed or strongly disagreed with each statement, across socio-demographic groups

		I find it more satisfying to spend money than to save it for the long term	I tend to live for today and let tomorrow take care of itself
All		28.7	40.1
Gender	Men	26.6	39.2
	Women	30.6	40.9
Age	15-29	30.0	39.6
	30-39	29.0	39.0
	40-49	28.2	44.1
	50-59	30.2	42.2
	60 and over	25.6	36.9
Education level	Less than high school	30.9	32.7
	High school	26.3	38.9
	Technical education	30.9	40.2
	University degree	30.1	39.9
	Master's or Ph.D	28.2	46.0
Work status	Employees	28.4	42.1
	Self-employed	30.8	39.1
	Unemployed	13.9	46.0
	Student	31.9	36.7
	Out of labour force	26.6	35.5
Region	Nicosia	31.3	46.3
	Limassol	27.6	36.5
	Famagusta	30.0	33.1
	Larnaca	26.7	37.1
	Paphos	23.9	35.6
Rural/urban	Village/ Rural area	27.1	39.8
	Town/ City	29.3	40.3
Income	Low income	27.2	41.1
	Middle-range income	36.8	36.5
	High income	26.4	41.4

Source: OECD 2023 survey on financial literacy in Cyprus.

Table A B.6. Digital financial knowledge questions

Percentage of people who answered correctly/incorrectly each digital financial knowledge question

Question	Response			
	Correct answer	Incorrect	Don't know	Refused
A digital financial contract requires signature of a paper contract to be considered valid. (false)	12.2	82.3	5.3	0.2
The personal data that I share publicly online may be used to target me with personalized. (true)	15.4	36.4	47.3	0.9
Crypto-currencies have the same legal tender as banknotes. (false)	18.2	57	24.5	0.3

Source: OECD 2023 survey on financial literacy in Cyprus.

Table A B.7. Digital financial behaviours

Percentage of people who displayed the following digital financial behaviours

Question	Response			
	Financially "savvy" behaviour	Non-financially "savvy" behaviour	Don't know	Refused/not relevant answer
I share the passwords and PINs of my bank account with my close friends.	85.3	7.8	3.6	3.3
Before buying a financial product online, I check if the provider is regulated.	30.5	49.9	9.7	10
I share information about my personal finances publicly online.	83.1	5.2	6.5	5.1
I regularly change the passwords on websites that I use for online shopping.	17.5	66.6	10	6.1

Source: OECD 2023 survey on financial literacy in Cyprus.

Table A B.8. Digital financial attitudes

Percentage of people who agreed or disagreed with these statements

Question	Response				
	Agree and completely agree	Disagree and completely disagree	Neither agrees not disagrees	Don't know	Refused/not relevant
I think that it is safe to shop online using public Wi-Fi networks.	17.6	50	11.9	16.2	4.9
It is important to pay attention to the security of a website before making a transaction online.	64.3	11.6	5.3	12.3	6.2
I think it is not important to read the terms and conditions when buying.	13.9	63.9	7.6	11.7	3.3

Source: OECD 2023 survey on financial literacy in Cyprus.

Table A B.9. Subjective financial well-being

Percentage of adults who reported the following aspects of subjective financial well-being, across socio-demographic groups

		Agreed with "I am satisfied with my present financial situation."	Agreed with "My finances limit my ability to do the things that are important to me."	Agreed with "I have too much debt right now"	Agreed with "I tend to worry about paying my normal living expenses."	Agreed with "My finances control my life."	Agreed with "Because of money situation, I will never have the things I want.	Agreed with "I am concerned that my money won't last."	Agreed with "I am just getting by financially."
All		49.8	37.8	22.1	33.2	42.8	22.2	23.6	21.9
Gender	Men	48.2	37.3	21.4	31.7	42.1	20.5	23.1	20.2
	Women	51.3	38.3	22.7	34.7	43.5	23.8	24.0	23.7
Age	18-29	47.4	37.1	19.2	34.7	45.9	22.7	22.3	20.8
	30-39	52.8	37.2	24.7	33.6	39.2	25.5	25.0	23.4
	40-49	45.6	39.3	22.9	33.3	42.9	19.5	27.4	23.7
	50-59	47.1	38.8	26.3	35.8	43.0	23.5	23.1	19.4
	60 and over	55.7	37.2	19.2	28.7	42.0	19.8	20.7	22.4
Education level	Less than high school	48.6	42.2	20.5	28.3	46.3	23.7	22.4	20.9
	High school	51.2	38.7	19.3	32.8	43.4	21.7	23.6	22.7
	Technical education	43.7	5.2	30.1	25.7	37.0	17.3	18.3	20.4
	University degree	52.9	33.5	19.1	34.8	43.0	21.5	24.5	21.5
	Master's or Ph.D	46.2	35.8	26.1	33.9	41.4	23.9	24.5	21.8
Work status	Employees	49.9	37.5	23.3	36.1	44.6	23.9	25.2	21.6
	Self-employed	55.0	38.3	22.4	29.0	35.2	19.5	24.0	21.8
	Unemployed	57.4	44.7	6.4	33.9	45.9	31.4	51.3	25.9
	Student	40.9	31.9	19.6	30.6	42.7	18.8	16.2	22.6
	Out of labour force	47.1	40.3	19.4	28.7	41.2	20.1	19.1	22.1
Region	Nicosia	50.4	35.5	21.2	31.6	39.8	21.7	25.1	26.1
	Limassol	52.9	37.8	21.4	32.9	44.5	23.1	23.7	21.9
	Famagusta	45.1	40.3	24.5	34.4	45.3	21.0	23.6	14.2
	Larnaca	48.4	37.6	24.8	34.5	47.3	22.9	22.8	17.3
	Paphos	43.8	45.6	21.6	37.3	40.8	21.3	18.8	18.3
Rural/ urban	Village/ Rural area	49.2	39.1	21.2	29.1	41.2	21.5	27.1	21.3
	Town/ City	50.0	37.3	22.4	34.8	43.4	22.5	22.2	22.2
Income	Low income	46.2	37.2	28.2	32.2	46.6	26.8	24.6	24.5
	Middle-range income	51.1	36.2	23.9	40.0	42.7	24.1	24.5	20.7
	High income	51.2	38.4	20.5	31.1	41.1	21.1	21.7	21.2

Note: results presented in this figure refer to the population age 18-79.
Source: OECD 2023 survey on financial literacy in Cyprus.

Table A B.10 Financial resilience

Percentage of adults who reported the following aspects of financial resilience, across socio-demographic groups

		Could pay a major expense without borrowing or asking family or friends for help	Income covered living expenses	Could cover living expenses for at least three months without main source of income
All		22.0	61.0	59.9
Gender	Men	20.9	60.0	59.6
	Women	23.1	61.8	60.3
Age	18-29	13.7	58.7	48.6
	30-39	27.0	59.6	65.1
	40-49	24.7	59.3	65.6
	50-59	27.7	60.3	60.1
	60 and over	21.1	67.3	63.7
Education level	Less than high school	18.9	57.2	54.8
	High school	14.0	57.9	50.9
	Technical education	22.9	46.0	48.7
	University degree	22.5	64.2	65.2
	Master's or Ph.D	31.7	66.1	70.3
Work status	Employees	24.2	57.6	64.1
	Self-employed	26.9	63.7	65.0
	Unemployed	14.3	37.8	58.2
	Student	6.8	67.4	25.9
	Out of labour force	18.1	67.9	60.6
Region	Nicosia	30.9	62.1	61.4
	Limassol	21.0	61.3	59.9
	Famagusta	6.6	58.8	63.0
	Larnaca	12.2	55.6	53.1
	Paphos	16.6	65.5	64.4
Rural/ urban	Village/ Rural area	15.5	60.1	60.5
	Town/ City	24.6	61.3	59.7
Income	Low income	21.2	59.1	50.6
	Middle-range income	21.2	59.0	55.2
	High income	22.9	62.9	65.0

Note: results presented in this figure refer to the population age 18-79.
Source: OECD 2023 survey on financial literacy in Cyprus.

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Notes

[1] The OECD/INFE 2023 International Survey of Adult Financial Literacy (OECD, 2023[8]) provides an international comparative analysis of the financial literacy levels of adults aged 18-79 in 39 economies around the world, including Cyprus.

[2] Results presented in this section constitute preliminary findings about digital financial literacy in Cyprus, because the digital financial literacy scores are based on a relatively small number of questions (see the OECD/INFE 2023 International Survey of Adult Financial Literacy (OECD, 2023[8]) for more information on computing digital financial literacy scores). In 2024, the OECD/INFE has developed and published a dedicated digital financial literacy survey instrument to provide more complete and robust results in future rounds of data collection (OECD, 2024[13]).

[3] The NPL ratio of 7.9% is computed using the definition of Central Bank of Cyprus, where the ratio is calculated for the whole Cyprus Banking System and exposures to Central Banks and Credit Institutions are excluded from the calculation. The NPL ratio using the European Banking Authority definition and sample stands at 2.4%.

[4] While not considered in this report, there are also other factors that can contribute to supporting financial resilience. These include the support of family, friends and the community, or public policies in the field of social protection, healthcare, and education.