

# Good practices in debt advice

The online seminar series forms part of the project on "Provision of actions to extend the availability and improve the quality of debt-advice services for European households" (Specific Contract No. 20198601). This project was commissioned by [European Commission Consumers, Health, Agriculture and Food Executive Agency](#) and carried out by [VVA](#) and [CEPS](#).

## Seminar 1

19 JAN 21

## Seminar 2

21 JAN 21

## Seminar 3

26 JAN 21

### OPENING PLENARY AND WELCOME TO THE PARTICIPANTS

First opening plenary: message by the Commissioner [Didier Reynders](#)

#### PROFILING AND PREDICTING OVER-INDEBTEDNESS ●

**Mario Boto Ferreira**  
Universidade de Lisboa (PT)

Over-indebtedness is a multifaceted concept that affects different kinds of households, each one presenting a different profile and hence a different mix of potential risk factors (financial, psychological, etc.). However, they are usually treated independently from each other rather than in relation to each other. The practice in question overcomes this using new technologies.

#### UTILITIES BASED DETECTION ●

**Sara Waelbers**  
Steunpunt Mens en Samenleving (BE)

Over-indebtedness can have a far-reaching impact on the quality of life. As part of the constitutional right to lead a life of dignity, the Belgium legislator pledges to guarantee households' access to water and sanitation. In the implementation of this right, the Belgium regions have included access to debt advice.

#### LIVING WAGE CALCULATION INSTITUTES AND TOOLS ●

**Arjan Vliegenthart**  
NIBUD (NL)

One of the main points of contention in debt settlement discussions between debt advisors and creditors, is the ability to repay the debt by debt advisors. In this, there is often disagreement about the part of the wage that the debtor is allowed to retain. Independent institute NIBUD provides tools to debt advisors to determine the amount that the debtor is able to repay the creditor.

#### PROFESSIONAL DEVELOPMENT OF FINANCIAL LITERACY ●

**Monika Tröster**  
Deutsches Institut für Erwachsenenbildung (DE)

Apart from one-off events, basic financial education is not yet an established programme area. There is a lack of competence and didactic concepts at a basic educational level. The importance and how critical certain financial decisions can be, varies due to an individual's living situation. This good practice provides instructions about how to improve the financial literacy of overindebted households.

#### ETHICS CODE FOR DEBT ADVICE ●

**Sandy Madar**  
The Social Legal Aid (DK)

Debt advisors provide services such as budget planning, support of debt settlement procedures and management of bank accounts. In addition, fundamental psychological support is provided in the best interest of the over-indebted households. This ethics code functions as a guideline for Danish debt advisors with regard to their counselling duties.

#### FINANCIAL-TRANSACTIONS-BASED DETECTION ●

**Benoît Ehret**  
Banque de France (FR)

Banks have, in general, a good insight into the liquidity position of households. In France, this insight is used for early detection. As soon as they detect a financially vulnerable household, they have to follow-up with support to prevent over-indebtedness.

#### SET-UP A COST-EFFECTIVE DEBT ADVICE ORGANISATION ●

**Hana Košan**  
Kralji Ulice (SI)

In about half of the EU Member States, debt advice is only sporadically available, which calls for the creation of new debt advice organisations. Slovenian NGO Kralji Ulice, with the help of a few professionals and group of volunteers, provides advice to households having difficulty covering the costs of their social housing rent. Thanks to this programme, they have succeeded in reducing the rates of homelessness in the areas where they operated.

#### COVENANTS WITH CREDITORS ●

**Irene Koole and Linda van Vliet**  
Nvvk (NL)

The debt settlement procedures in many countries require quite a lot of time from the debt advisor and other stakeholders involved. The Dutch association of debt advisors (Nvvk) has aimed to overcome this challenge by agreeing covenants with some of the most important creditors.

#### DESIGN AND IMPLEMENT DEBT ADVICE INTERVENTIONS ●

**Tamara Madern**  
Hogeschool Utrecht (NL)

As a debt advisor, it is important to reflect critically on your professional behaviour. This good practice will provide principles for the design and implementation of debt advice interventions. This good practice is based on a module within the course for debt advisors at Master's level in the Netherlands.

### CLOSING PLENARY AND DIRECTION TO FOCUS GROUPS

Final closing plenary by [Nils Behrndt](#) Director for Consumers, DG Just

## FOCUS GROUPS ABOUT GOOD PRACTICES

- BREAKOUT ROOM 1**  
Profiling and predicting over-indebtedness
- BREAKOUT ROOM 2**  
Professional development of financial literacy
- BREAKOUT ROOM 3**  
Set-up a cost-effective debt advice organisation

- BREAKOUT ROOM 1**  
Utilities based detection
- BREAKOUT ROOM 2**  
Ethics code for debt advice
- BREAKOUT ROOM 3**  
Covenants with creditors

- BREAKOUT ROOM 1**  
Living wage calculation institutes and tools
- BREAKOUT ROOM 2**  
Financial-transactions-based detection
- BREAKOUT ROOM 3**  
Design and implement debt advice interventions

#### LEGEND

- Good practice in setting the infrastructure for providing debt advice
- Good practice in detecting households in need of debt advice
- Good practice in providing debt advice