



## All Party Parliamentary Group on Microfinance Newsletter Summer 2007

### APPG sets up new website

The APPG on MF has set up its own website detailing information about the group and raising awareness of microfinance issues. To visit the site please go to: [www.appg-microfinance.org](http://www.appg-microfinance.org)

Please link this site to your own website.

### EDM 1036: Microfinance and women's empowerment

Most of the 1.2 billion people living on less than a dollar a day are women. Research shows that Microfinance greatly increases women's empowerment.

An Early Day Motion has been tabled acknowledging the link between microfinance and women's empowerment and generating support from 86 MPs.

### Mentions in Parliament

Several debates and questions concerning microfinance have arisen in parliament generated by the All Party Parliamentary Group, increasing awareness of microfinance issues in parliament. Many of the debates focused on the Department for International Development (DFID's) role in terms of funding and resources allocated to microfinance. The chair of the APPG, Annette Brooke, has been active in putting pressure on DFID through parliamentary questions concerning these aspects of microfinance:

**07/12/2006** - Annette Brooke: How much has DFID contributed to microfinance and microcredit in each financial year since 2000-01? Gareth Thomas (Parliamentary Undersecretary for DFID) answered that about £96 million has been spent since April 2003. The majority of this funding has been used to build the capacity of microfinance institutions to serve greater numbers of poor people with a better range of services and at a lower cost. (Similar questions were put to DFID representatives on 23/01/2007 by Peter Lilley and on 23/03/2007 by Mark Simmonds, respectively.

**28/03/2007** - Annette Brooke: Does DFID plan to support the German proposal to create a microcredit fund for African entrepreneurs at the forthcoming G8 summit? Gareth Thomas replied that DFID is working closely with its G8 partners to agree concrete proposals to expand access to financial services in Africa.

**12/12/2006** - Annette Brooke: In what ways is DFID working with external sources to meet the targets of the Microcredit Campaign Summit? Hilary Benn answered that the UK's 2006 White Paper on International Development commits DFID to tackling barriers to access to markets and financial services, and supporting access to finance initiatives in partnership with banks and regulators. He stipulated that DFID will continue to work with other donors and international financial institutions at policy, technical, and operational levels and will continue to spend significant resources on programmes of direct relevance.

**08/03/2007** - Annette Brooke gave a brief speech on the contribution and importance of microfinance on poverty alleviation as part of the International Women's Day debate.

### Events and Meetings

Regular meetings and events for Parliamentarians and interested parties are hosted by the APPG to discuss relevant issues. The following meetings have taken place in recent months:

March 2007- 'Females First: the impact of microfinance on gender equality - three continent case studies' - joint meeting with the APPG on Sex Equality.

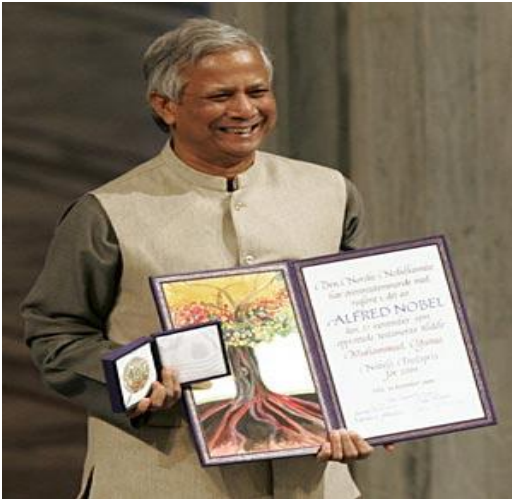
January 2007 - 'Microfinance in the Context of Globalisation: making change work for the poor.'

October 2006 - 'Challenging the Frontiers of Poverty Reduction: targeting the ultra Poor' - joint meeting with the Microfinance Club of London.

The Annual General Meeting of the APPG on microfinance was held on Wednesday 11 July.

## Founder of Grameen Bank wins Nobel Peace Prize

Professor Muhammad Yunus, founder of ground-breaking Grameen Bank in Bangladesh has been awarded the 2006 Nobel Peace Prize for his outstanding contribution to social and economic advancement through the provision of microfinance. The APPG Secretariat RESULTS works in partnership with the Grameen Bank.



Muhammad Yunus receives the Nobel Peace Prize 2006

### EDM 2752: Nobel Peace Prize Winner Muhammad Yunus

A second Early Day Motion was tabled recognising Nobel Peace Prize winners Muhammad Yunus and The Grameen Bank, which generated support from over 50 MPs.

To view these EDMs and list of signatories visit:  
<http://edmi.parliament.uk>

### Microcredit Summit November 2006

The second Global Microcredit Summit took place in Halifax Nova Scotia in November 2006. The four-day Summit was attended by over 2,200 participants from more than 110 countries, with high level spokespeople including: Queen Sofia of Spain; Prime Minister of Pakistan, Shaukat Aziz; and newly awarded Nobel Peace Prize Laureate Muhammad Yunus.

The summit, its supporters, and attendees had much to celebrate. Those who had been watching, and working towards, the audacious goal of “reaching 100 million of the world’s poorest families, especially the women of those families, with credit for self-employment and other financial services”, were rightly overjoyed by the progress which had been made towards this shared vision.

Latest data from 2005 illustrated that 113 million people received micro-loans in 2005 (a nine-fold increase from the number in 1997 when the campaign began) and that 82 million of these borrowers were classed as heads of the poorest families.

But, demand for microfinance continues to outstrip supply, and its potential to impact on the Millennium Development Goal (MDG) of halving poverty by 2015 has not yet been fulfilled.

The Summit therefore set two new goals, symbolising phase II of the campaign:

1. To ensure that 175 million of the world's poorest families, especially the women of those families, are receiving credit for self-employment and other financial and business services by the end of 2015
2. To ensure that 100 million of the world's poorest families cross the \$1 a day threshold by 2015.

### Upcoming Activities/Future Aims

Autumn 2007 – A joint symposium with the MF Club UK focusing on microfinance and the Millennium Development Goals is planned with presentations from the new Secretary of State for International Development, among others.

The APPG on microfinance intends to publish a report focusing on different stakeholders perceptions on microfinance and the Millennium Development Goals and what it will take to scale up.

The APPG on microfinance intends to organise a Parliamentary delegation to microcredit programmes.

**For more information on the All-Party parliamentary Group on Micro Finance visit:**

[www.appg-microfinance.org](http://www.appg-microfinance.org)

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