

## **The Global Microcredit Summit Opens Today (November 14, 2011) in Valladolid, Spain**

I have the honour of representing the RESULT:ED Educational Fund at the Summit and I intend to send regular reports back to Canada.

Before we even look at the specifics of the agenda, it is worth reminding ourselves why we would even care about microcredit.

The simple truth is that billions of people lack financial services on our planet. But the effects are not the same. For the majority people, lack of credit means deferred consumption, reduced income-generating opportunities. For the bottom billion, lack of credit too often translates in abject poverty and death from preventable illnesses.

It is indeed this reality which is at the genesis of the Microcredit Summit in 1997 of its overarching goal: to ensure that the poorest families have access to credit.

We can all celebrate the fact, as made public last week by the Microcredit Summit campaign, that 138 million families, whose members are each living on less than \$1.25 per day, now have access to credit.

But not all credit programs are necessarily good; some just are opportunities for undue profit by unscrupulous financiers, so we must also keep an eye on impact, hence the second objective of the Summit: to make sure credit does assist very poor families in crossing the poverty line.

This will lead the Summit to debate this week how it can develop a Seal of Excellence to distinguish those institutions who are benefitting the poor from those who are not. Stay tuned for more details as the topic is discussed at the Summit in the coming days.

Finally, it is worth reminding ourselves that microfinance is more than microcredit. The Summit will be an opportunity to showcase new financial products such as micro-savings, micro-insurance for health, micro-insurance for harvests, etc.

I will be sharing these exciting new developments as they are discussed at the Summit.

Jean-François Tardif  
Executive Director  
RESULT:ED Educational Fund