

## **Day 4 at the Microcredit Summary – Challenges Ahead and Closing Thoughts**

The last day at the Global Microcredit Summit is largely a day of technical courses and of wrap-ups.

It is also an opportunity to reflect on what really matters most from all the plethora of information received. After a few hours it was clear, and after a few days it is undisputedly confirmed that the number one issue is the monitoring of the impact of microfinance on the very poor. Virtually all controversies seem to point to poverty impact monitoring as a solution: are the rates charged too high? Let's look at their impact on the very poor. Should the commercial sector be given a bigger role in microfinance? Let's look at what happens to the very poor. Should the very poor be forced to begin with graduated programs of subsidies instead of loans? Let's look at the comparative impact of both approaches on the very poor.

Canada was not very present at the Microcredit Summit, with limited NGO participation and no government representation. Perhaps impact monitoring could be an area which Canada could take on? The government does not support many microcredit projects, especially poverty targeted ones, but it could encourage (and support financially) microcredit providers in monitoring the impact of their programs on poverty reduction. This is still an emerging field in which no particular country has a comparative advantage, so leadership is up for grabs. A thought probably worthy of further exploration.

The end of the Summit is also an opportunity to remember various encounters in the corridors, workshops or lunch tables with Canadians making a difference. Encounters with Bill Campbell, the energetic Atlantic Canadian who brought the Microcredit Summit to Halifax in 2006 and wants to bring it to Halifax again, for the closure of the campaign in 2016. Or with Sylvie Ouellet, the Gatineau resident who left her corporate executive job to start economic development projects in the Democratic Republic of Congo (Sylvie will be attending the Result:Ed Public Education workshop November 26 for those who would like to meet her) and is now considering opening a full-fledged bank! Or Dr. Olga Morawczynski of Toronto, who works with Grameen Foundation in Uganda to develop mobile phone applications for financial services. Or finally, David Gibbons, the resourceful father of Grameen replications in Asia, who now heads a Grameen replication in Varanasi, India, which grew from nothing 15 years ago to 400,000 borrowers nowadays!

Inspiring as their stories might be, they are not the heart of the microcredit movement. Borrowers are. So let me end this series of reports with a simple but telling story. We will call her Marie. She lives in Burundi. In her childhood she had been sick and developed a limp. So she could not believe her luck when after her teen years a man asked to marry her. She soon discovered her husband was violent and he began to hit her. It affected her sense of self-worth but her mother had told her that despite her limp, she could be whatever she chose to do. So when a loan circle was created in her village, she decided to join over her husband's objections. She was soon asked to sit on the Village Council and then to represent the village at the Regional Assembly. But when asked how access to financial services changed her life, what she says is that it allowed her to have control over a financial decision for the first time in her life: she was able to have 30 dollars to spend, and after purchasing a few necessities for the

family, she decided to buy a pair of pants for her husband. When she offered him the pants, he hugged her. It was the first time in her life that he had hugged her....

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P.S.: By the way, he now works for her...