

Featured Guest: United Nations Secretary-General Kofi Annan

Q&A on the International Year of Microcredit and the importance of microfinance

1. Why did the United Nations designate 2005 the International Year of Microcredit?

The United Nations designated 2005 the International Year of Microcredit to mobilize the world around the critical issue of increasing access to financial services. Microfinance is an idea whose time has come. A small loan, a savings account, an affordable way to send a pay-check home, can make all the difference to a low-income family or small-scale enterprise. And with the ability to collateralize their assets, they can move beyond day-to-day survival, toward planning for the future. That means they can invest in better nutrition, housing, health, and education for their children. They can create productive businesses, and recover more quickly in the aftermath of natural disasters. In short, they can take real strides towards breaking the vicious circle of poverty and vulnerability.

The International Year of Microcredit has generated unprecedented worldwide interest in microfinance. Member States engaged to an impressive degree, reflecting the tremendous demand and impetus that already existed on the ground in countries throughout the world. The United Nations must now leverage the power of microfinance if we are to achieve the Millennium Development Goals. Our work will be done only when we have achieved truly inclusive, not exclusive, financial sectors.

2. Why do you think microfinance is an effective tool to fight poverty?

Microfinance is not charity. It is a way to extend the same rights and services to low-income households that are available to everyone else. It protects people against shocks, and allows the majority of the population to become part of a country's economic activity and contribute to their communities' economic and social progress. It can help to build markets, and show that profits and principles can reinforce each other. Just as important, microfinance recognizes that poor people are part of the solution, and builds on their ideas, energy and vision.

3. What are the obstacles to extending financial services to poor people around the world? How can these obstacles be addressed?

Microfinance is not as widespread as it could or should be because the vast majority of people in the world do not yet have access to financial services. In many countries, the financial sector reaches only a small fraction of the population, with very few people having even something as basic as a bank account. There are great disparities in the availability of banks, ATMs and other services. Some countries have less than one bank branch per 100,000 people, while others enjoy more than 50.

Thankfully, this situation is changing. Governments, financial institutions, private businesses and others are recognizing the proven value of microfinance for poor individuals and for small- and medium-sized enterprises. The World Bank and the International Monetary Fund have

embraced it as part of their strategy for alleviating poverty. The United Nations is making this a key issue in implementing the Monterrey Consensus on Financing for Development. September's World Summit at the United Nations affirmed the need for access to financial services for the poor. And of course, the General Assembly proclaimed this to be the International Year of Microcredit.

4. As the Year reaches its climax, how is the UN looking ahead?

Our collective challenge is to sustain this momentum and to meet the growing global demand for increased access to financial services. The International Year has served as an effective stimulus for action. More than 100 governments have undertaken initiatives to observe the year. A number of microfinance leaders, development banks, credit unions, postal and savings banks and commercial banks are lending their support, for which we are most grateful. More than 300 events have been held around the world at which financial experts have been raising awareness and sharing their knowledge. Data and policy work initiated under the auspices of the Year is expected to have an important impact.

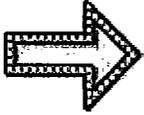
The Year's culminating event, the International Forum on Building Inclusive Financial Sectors, was held at UN headquarters in New York from 7 to 9 November 2005. Bringing together more than 700 people from around the world -- ranging from small-scale entrepreneurs from Afghanistan and Sierra Leone to high-level global financial sector leaders -- the event symbolized the Year's efforts to focus international attention on the critical importance of microfinance.

The involvement of the private sector in the Year has also been very encouraging. Indeed, microfinance offers an excellent platform for private-public partnerships and for interventions by private solidarity institutions such as non-profit organizations and cooperatives. Through such arrangements, poor people can gain new choices, and a chance to increase their wealth. Small- and medium-sized enterprises can build up their infrastructure and capacities. Societies benefit in their efforts to defeat hunger and achieve other development goals such as better nutrition, gender equity and education for children. And private businesses profit from access to new markets and, not least, the boon to their reputations that comes with offering services that have a positive social impact.

I hope such engagement will intensify. The potential is significant. It is estimated that many millions of poor people around the world have unmet needs for financial services. The challenge is to scale up without losing sight of the poorest and most vulnerable members of society. Microfinance has been a small and, at times, partially subsidized venture. Now, the possibilities for commercial involvement have increased. We need to transform it into a viable and truly developmental effort on a mass scale that reaches the people, businesses and microfinance institutions that need it. I hope financial institutions will continue to show that they are true entrepreneurs, and invest robustly in this line of business.

Where people have a stake, a start, a piece of ownership, they are more likely to prosper. And where businesses are given a chance to develop, countries are more likely to flourish. The

International Year of Microcredit is only the beginning. I look forward to working with all stakeholders to build on all that was accomplished this year to create choices and opportunities for poor people around the world.



Richard Amdur/NY/UNO
18/11/2005 03:16 PM

To "vanessa.ward" <vanessa.ward@undp.org>
cc Ruxandra Ferascu/NY/UNO@UNHQ
bcc

Subject RE: FW: Year newsletter Featured Guest 

vanessa,
i've done a quick edit. where you see significant changes, that is mostly because it appears you were not working from the final version of the speech. afraid i didn't work in track changes mode, so you won't see the specifics without going through this line by line. in any case, you can consider the attached an approved text.
best,
richard



microfinance-q&a.doc

"vanessa.ward" <vanessa.ward@undp.org>



"vanessa.ward"
<vanessa.ward@undp.org>
18/11/2005 02:32 PM

To "Richard Amdur" <amdur@un.org>
cc

Subject RE: FW: Year newsletter Featured Guest

Dear Richard -

Attached please find the proposed Featured Guest interview with the SG, as previously discussed. It is almost entirely taken from his Geneva speech - I have just made a few small suggested additions, highlighted in red. It would be great if I could have your approval by Tuesday. Please let me know if you think that will not be possible.

Thank you again for your assistance in this - we are absolutely thrilled to have the SG's contribution.

Best regards -

Vanessa

Vanessa Ward
Programme Manager
International Year of Microcredit 2005
United Nations Capital Development Fund
Two UN Plaza, 26th Floor
New York, NY 10017
tel: (1 212) 906-6692
fax: (1 212) 906-3655
email: vanessa.ward@undp.org
web: www.yearofmicrocredit.org

-----Original Message-----

From: Richard Amdur [mailto:amdur@un.org]
Sent: Monday, October 31, 2005 11:36 AM
To: vanessa.ward
Subject: RE: FW: Year newsletter Featured Guest

vanessa,
sorry to disappoint you, but i'm afraid we won't be able to provide a customized quote for you. our standard practice -- as you can imagine, we receive very many such requests -- is to use existing language wherever possible. in this case, with a very recent speech as well as generic text for the year, you should be able to find something that works, even if it is not precisely what you were hoping for. i probably should have told you this in clear terms from the outset of our exchanges instead of stringing you along only to deliver this news at your deadline; my apologies for that, but i have only now emerged from other deadlines and thought about it properly. if you want to build something into the newsletter q&a, that would be fine.
many thanks for your understanding,
richard

"vanessa.ward"

<vanessa.ward@und

p.org>

To

"Richard Amdur" <amdur@un.org>

27/10/2005 04:50

cc

PM

Subject

RE: FW: Year newsletter Featured
Guest

Thanks so much, Richard. We are finalizing our press release today, but this would be worth waiting for. Monday morning would be the very latest. Of course, we can still use the quote after that, but we would be incredibly grateful if we could put it in the release. Thank you again for considering this while you're so busy.

Vanessa Ward
Programme Manager
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email: vanessa.ward@undp.org
web: www.yearofmicrocredit.org

-----Original Message-----

From: Richard Amdur [mailto:amdur@un.org]
Sent: Thursday, October 27, 2005 3:40 PM
To: vanessa.ward
Subject: RE: FW: Year newsletter Featured Guest

will have a look and revert. what's your actual deadline?

"vanessa.ward"
<vanessa.ward@und
p.org>
To: "'Richard Amdur'" <amdur@un.org>
27/10/2005 04:36
cc: PM
Subject: RE: FW: Year newsletter Featured
Guest

Thanks, Richard. On the quote, we are familiar with the items you sent, and there is a lot of great material there, but we were hoping to also have something more specific on the Year, now that it is nearing completion. Do you think that's out of the question at this point?

Vanessa Ward
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email: vanessa.ward@undp.org
web: www.yearofmicrocredit.org

-----Original Message-----

From: Richard Amdur [mailto:amdur@un.org]
Sent: Thursday, October 27, 2005 3:26 PM
To: vanessa.ward
Subject: RE: FW: Year newsletter Featured Guest

so sorry, but i've been mired in deadlines for tomorrow and monday.
sorry
to have given you the impression that i could get to this sooner; i was
hoping to but haven't been able to. i did have half a look. i don't
think
a video will be possible given the sg's schedule and his imminent
departure
on official travel. i also must confess i wondered why the existing
video
message on microfinance and the year would not do the trick. i believe
the
attached file is the text of the video but would have to check to be
sure.
and is there not something from the speech earlier this month that would
work?
richard

(See attached file: microfinance-10october05.doc) (See attached file:
microcredit2005.doc)

"vanessa.ward"

<vanessa.ward@und

p.org>

To

"Richard Amdur" <amdur@un.org>

27/10/2005 04:16

cc

PM

Subject

RE: FW: Year newsletter Featured
Guest

Hi Richard -

Please forgive my persistence. Time is running in short on our end. Just checking in to see if you will be able to consider our request soon. Thanks so much.

Best -

Vanessa

Vanessa Ward
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-----Original Message-----

From: Richard Amdur [<mailto:amdur@un.org>]
Sent: Tuesday, October 25, 2005 10:19 AM
To: vanessa.ward
Subject: RE: FW: Year newsletter Featured Guest

afraid i can't look at this until tomorrow since i'm mired in stuff today.
will revert. thanks for your patience. ra

"vanessa.ward"
<vanessa.ward@und
p.org>
To "Richard Amdur" <amdur@un.org>
24/10/2005 04:40
cc PM
Subject RE: FW: Year newsletter Featured
Guest

Hi Richard,

I'd like to follow up on our exchanges regarding the SG's Q&A for the November issue of the UNCDF/Year of Microcredit newsletter, and make one other request. I understand that the SG's schedule no longer permits him to appear at our event, so I would like to draft a little more text to add to the Geneva speech you sent as material. I will have this for you shortly, but in the meantime, I wonder if you would be willing to approve a short paragraph I have drafted for the Q&A, which we would also like to use for other promotional purposes (below).

We would also like to invite the SG to appear in a videotaped message to air at our events. We would obviously be thrilled if we was willing to do so. We could tape a brief message as we did last year. Alternatively, we will be producing a short film on the Year's accomplishments and would be honored

to
have him act as narrator for some or all of the film. Please let me know
if
you think either of these might be of interest.

Below is the text for approval. I look forward to hearing from you.

"The International Year of Microcredit has exceeded my expectations and
generated unprecedented worldwide interest in microfinance. Member
States
engaged to an unusual degree, reflecting the tremendous demand and
impetus
that already existed on the ground in countries throughout the world. I
am
especially impressed by the private sector's involvement and the
recognition
of the drive and talents of low income people worldwide. The UN must now
leverage the power of microfinance if we are to achieve the Millennium
Development Goals. Our work will only be done when we have achieved
truly
inclusive, not exclusive, financial sectors."

Best -

Vanessa

-----Original Message-----

From: Richard Amdur [mailto:amdur@un.org]
Sent: Wednesday, October 05, 2005 3:25 PM
To: vanessa.ward
Subject: RE: FW: Year newsletter Featured Guest

re-using the stuff is no problem. let's stay in touch. thanks.

To "vanessa.ward"
<vanessa.ward@un-
p.org>
"Richard Amdur" <amdur@un.org>
05/10/2005 03:20
cc PM
Subject RE: FW: Year newsletter Featured
Guest

Thanks, Richard. I can turn this around very quickly once I have your
November 8 speech. We can even use much of what you have written

verbatim
if
that's alright with you..

-----Original Message-----

From: Richard Amdur [mailto:amdur@un.org]
Sent: Wednesday, October 05, 2005 2:58 PM
To: vanessa.ward
Subject: RE: FW: Year newsletter Featured Guest

vanessa,
that sounds fine. just give us enough lead time, since we expect to be
very busy and a bit shorthanded in november.
best,
richard

To "vanessa.ward"
<vanessa.ward@und
p.org>
05/10/2005 02:51
PM
"christina.barrineau"
<christina.barrineau@undp.org>,
"Richard Amdur" <amdur@un.org>
cc "Ruxandra Ferascu"
<ferascu@un.org>
Subject RE: FW: Year newsletter Featured
Guest

Dear Richard -

Thank you very much for facilitating this Q&A - we are thrilled. I have
looked at the speech, and see perfect opportunities to translate your
text
into answers. I also think your suggestion of using material related to
the
November 8 event is excellent - the newsletter will come out after that
date
to report on the Forum.

Perhaps we should reconvene as soon as Mr. Annan's Nov. 8 speech is
prepared. I would be happy to draft the Q&A based on the two speeches,
to
submit to you for revision and approval. Does this work for you?

Best regards -

Vanessa Ward

-----Original Message-----

From: christina.barrineau [mailto:christina.barrineau@undp.org]
Sent: Wednesday, October 05, 2005 12:02 PM
To: Richard Amdur
Cc: Ruxandra Ferascu; Vanessa Ward
Subject: RE: FW: Year newsletter Featured Guest

Wonderful - it will be perfect as this is the final edition of the newsletter for the Year and it is appropriate for the SG to have the last word so to speak! I am copying Vanessa Ward who will be preparing the questions and answers as you see fit - she will use the speech you attach as a basis. Thanks so much! Christina

-----Original Message-----

From: Richard Amdur [mailto:amdur@un.org]
Sent: Wednesday, October 05, 2005 11:58 AM
To: christina.barrineau
Cc: Ruxandra Ferascu
Subject: RE: FW: Year newsletter Featured Guest

christina,
yes, this is something we can do. let me know what your deadline is. deadline permitting, the q&a could be based on the speech we just worked on (attached is the final text), and possibly even the one we will work on for the event on 8 november.
best,
richard
(See attached file: microfinance-10october05.doc)

To "christina.barrineau" <christina.barrineau@undp.org>
"Richard Amdur" <amdur@un.org>
cc 03/10/2005 05:40 PM
Subject RE: FW: Year newsletter Featured Guest

I figure that. Best CB

-----Original Message-----

From: Richard Amdur [mailto:amdur@un.org]
Sent: Monday, October 03, 2005 5:14 PM
To: christina.barrineau
Subject: Re: FW: Year newsletter Featured Guest

you've found the right place. let me get back to you. n.b. per standard practice, if we did this, you would have to provide the answers, too.

To: "christina.barrineau" <christina.barrineau@undp.org>
cc: "Richard Amdur" <amdur@un.org>
Subject: FW: Year newsletter Featured Guest
Date: 03/10/2005 03:27 PM

Dear Richard,

We would very much like to feature Mr. Annan in our November and final issue of Microfinance Matters the newsletter of the International Year of Microcredit. In essence we would provide a Question and Answer format.

We have a direct readership of more than 6,500 and a circulation of more than 50,000.

Could you let me know whom I should pass this request on to?

Best Christina

-----Original Message-----

From: vanessa.ward [mailto:vanessa.ward@undp.org]

Sent: Monday, October 03, 2005 10:57 AM

To: christina.barrineau

Subject: Year newsletter Featured Guest

Dear Christina -

As discussed, Mr. Annan would be the perfect choice to be the Featured Guest for the November issue of Microfinance Matters rounding up the Year's achievements. As you know, past guests include Stan Fischer, Chair of the Year Advisors Group and Governor of the Bank of Israel, Charles Konan Banny, Governor of the BCEAO; Salil Shetty, Director of the Millennium Campaign, and Ambassador Rezlan Jenie, Indonesian Ambassador to the United Nations - so Mr. Annan would be in good company.

The growing importance of microfinance around the world is exciting news, and the Q&A would include a focus on the importance the UN is placing on the issue. If Mr. Annan is interested, we can email his office 6-8 questions - following the format of the current issue:
http://www.uncdf.org/english//microfinance/newsletter/pages/2005_09/featured

__guest.php

The deadline is October 24.

Thanks for your help in making this request -

Vanessa

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Featured Guest - SG.doc