



ECOFIN, General Assembly Second Committee

**Co-Sponsors:** Antigua and Barbuda, Democratic Republic of the Congo, Federal Democratic Republic of Ethiopia, Federative Republic of Brazil, Islamic Republic of Afghanistan, Islamic Republic of Pakistan, Japan, Kingdom of Spain, People's Republic

of China, Republic of Serbia and The Russian Federation.

**Topic:** Microfinance

*Deeply Concerned* that 80% of the world's population still lives on less than \$10 per day, and nearly 50% on less than \$2.50 per day,

*Recalling* December 15, 1998, the UN resolution 53/197 passed without vote. 53/197 "Proclaimed 2005 as the International Year of Microcredit,"

*Recognizing* that microfinance has helped promote economic development by improving the standard of living and overall health of micro and small entrepreneurs,

1. *Requests* that everyone shall have access to microloans;
2. *Calls upon* the creation of more microfinance institutions (MFI) to help safeguard peoples money;
3. *Endorses* the creation of an Non-Governmental Organization (NGO), that will:
  - A) Offer the education of basic business management to representatives of global MFIs, so that they can further on hold mandatory classes for the individuals applying for microloans.
  - B) Supervise the MFIs after the education process,
4. *Advises* MFIs to supervise the clients who have taken microloans;
5. *Recommends* the idea of gradually decreasing the interest rates of microloans, through governmental support;
6. *Urges* governments to support MFIs financially;
7. *Encourages* governments to offer incentives to commercial banks to have microfinancial services;

## **Resolution ECOFIN/1/1.1**

8. *Calls Upon* the United Nations to create an international set of rules for all MFIs, implemented by governments;
9. *Further recommends* holding a microfinance summit annually, to discuss past resolutions and future goals.