



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. SULTAN AL-MAHMOUD,
PERMANENT MISSION OF THE STATE OF QATAR TO THE UNITED NATIONS, ON THE
INTERNATIONAL YEAR OF MICROCREDIT 2005 (New York, 18 November 2004)**

Mr. Chairman,
Distinguished dignitaries,

I have the honour of making this statement on behalf of the Group of 77 and China.

It is a matter of great satisfaction for the Group to see the international community prepare to observe the International Year of Microcredit 2005.

Microcredit and microfinance play important roles in poverty eradication, empowerment of vulnerable groups particularly of women. Empirical evidences suggest that borrowers of microcredit were able to increase their incomes, acquire assets and reduce their vulnerability to crisis. Microcredit and microfinance has enabled the un-bankable poor to use their ingenuity to fight out of poverty with dignity. Microcredit has proven to be an effective anti-poverty tool. This certainly is one of the effective means to reach the Millennium Development Goals.

However to reach the millions of poor of the world, microfinance institutions need to be built. They have to be provided with adequate finances and an enabling environment to operate. Private sector and civil society must engage to complement governments' efforts. We expect that our development partners will be forthcoming in funding the microfinance institutions.

Member States, as well as, the United Nations, International Financial Institutions, private sector, civil society all have a partnership role to play in forwarding the movement of microcredit and microfinance. The International Year of Microcredit will be a special occasion for giving impetus to microcredit programmes in all countries, particularly in the developing world. The Year provides us with an excellent opportunity to show-case best practices, share ideas on new and innovative uses of microcredit and microfinance schemes in broadening the choices for the poor. The United Nations will have an important responsibility in collating these new ideas and disseminating them.

We call upon all for a befitting observance of the International Year of Microcredit.

I thank you.