



United Nations Industrial Development Organization

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Resolution 05 (2005)

Adopted by the General Assembly at its 11th meeting, on 11 August 2005

The United Nations Industrial Development Organization,

Recalling resolution 52/194 which noted that in many countries microcredit programmes have proved to be an effective tool in freeing people from poverty and have helped to increase their participation in the economic and political process of society,

Realizing that the international community is observing the period 1997-2006 as the first United Nations Decade for the eradication of poverty,

Bearing in mind that microcredit programmes have especially benefited women and have resulted in the achievement of their empowerment,

Considering the importance of financial instruments such as credit, savings and related business services in providing access to capital for people living in poverty,

Taking note of the Millennium Project to the UN Secretary General on Investing in Development – a Practical Plan to Achieve the Millennium Development Goals,

Noting that the year 2005 is the final year of the United Nations microcredit campaign (Washington D.C., 2-4/2/97) which through its declaration and plan of action (5) endorsed a global campaign to reach ten million of the worlds poorest families,

Stressing that the United Nations has designated 2005 as International Year of Microcredit,

Realizing that to reach 100 million families through microfinance would require an additional annual outlay of about \$2.5 billion,

Being aware that only about 2% of the world's roughly 500 million small entrepreneurs is estimated to have access to financial services,

1. *Endorses the availability* of business development services, such as training and information in basic business concepts, skill-training and also the empowering of women so that borrowers can become financially disciplined, self-reliant entrepreneurs;

2. *Fosters* additional steps so that microfinance services will be available to an increased number of people living in poverty;

3. *Confirming* the importance of continuous assessments of the impact of microfinance programmes and thus encouraging the ongoing monitoring and evaluation of these programmes in order to achieve efficient microfinance institutions and programmes;

4. *Suggests* to work together with specialist, consultants, NGOs and IGOs in the microfinance sector in order to find adequate and innovative solutions to overcome microfinance problems;

5. *Invites* governments, the World Bank, CGAP and all concerned non-governmental organizations, as well as other actors of civil society and the private sector to enhance their contribution and their positive impact on the lives of people living in poverty;

6. *Urges* all members of UNIDO to assist developing countries to improve their policy framework for the financial sector especially legal and institutional means for microfinance so it can become sustainable and more widely available;

7. *Endorses* raising additional funds from private donors by working together with UNCDF.