

## Press Release

**Date:** 20<sup>th</sup> October 2016

**Venue:** Brussels, Madrid, Sarajevo, Marseille, Rome, Dublin, Belgrade, Strasbourg, Barcelona, Turin, Bucharest, Thessaloniki, and many more.

### More than 200,000 European microfinance clients reached by non-financial services

*Under the tagline “**Creating opportunities beyond Microcredit**” over 20 events all around Europe will showcase how microfinance supports European citizens, both unemployed and excluded from the traditional financial sector. All these experiences will be brought together on the 27 October in Brussels to mark the conclusion of the 2<sup>nd</sup> European Microfinance Day.*

**Brussels, 20<sup>th</sup> October** - The European Microfinance Network (EMN) and the Microfinance Centre (MFC) are pleased to announce the **2nd European Microfinance Day** to be held on 20<sup>th</sup> October 2016. This initiative aims to raise awareness of **microfinance as a tool to fight social exclusion and unemployment in Europe**.

Events in the form of **workshops, debates, exhibitions, meetings, etc. will take place at local level all across the EU-28**, in collaboration with the members of both networks. After the positive reception of the 1<sup>st</sup> edition, the purpose of this 2nd European Microfinance Day is to reinforce the following message: in order to promote social inclusion and self-entrepreneurship in Europe, a more comprehensive package of financial and non-financial services must be offered by the Microfinance sector and this must to be recognised by policy makers and financed by the institutions supporting the sector's efforts.

### More than 1 out of 2 surveyed microfinance providers by the EMN-MFC Overview Survey Report 2014-15 provides its customers with at least one non-financial product

Microfinance is often only linked to the granting of small credits. Nevertheless, microfinance comprises a series of services that go far beyond providing financing to those who are underserved by the mainstream financial sector. According to the upcoming *EMN-MFC Overview Survey Report in the EU 2014-2015<sup>1</sup>*, the provision of non-financial services is a key component of what is offered by the surveyed providers. **In 2015 alone, 205,493 clients were reached by non-financial products and services**. At least one non-financial product and service is offered by 58% of surveyed MFIs: the most common are Business Development Services (BDS, 32%), Financial Education (31%), Mentoring (30%), and Entrepreneurship training (27%).

According to **Jorge Ramirez, EMN General Manager**, “non-financial support measures, in addition to microcredit support, are key to the success of microfinance. This kind of support substantially reduces the risk of failure for the client and the consequent risk of default on the credit, subsequently empowering the entrepreneur”. **Grzegorz Galusek, MFC Executive Director**, goes further by adding that “non-financial services are essential in expanding the knowledge base of microentrepreneurs - a key factor in increasing the competitiveness and productivity of microfirms”.

In recent years, due to the financial crisis and resulting economic recession, microfinance has been recognised as a **key policy tool for the promotion of microenterprise and self-employment** and in the struggle against social and financial exclusion in Europe. The second edition of the EMD will highlight the importance of the comprehensive package of services that the microfinance sector offers to its clients. More definitively, this 2nd European Microfinance Day will focus on the importance of the provision of non-financial services – or accompanying activities - as a fundamental part of the support to clients.

<sup>1</sup> Overview of the evolution of European microfinance in 2014-2015 based on data collected from members of the European Microfinance Network (EMN) and the Microfinance Centre (MFC) and affiliated to National Networks members of EMN.

## About

The [European Microfinance Network's \(EMN\)](#) mission is to build up universal and open access to appropriate financial and complementary support services suited to society's needs at affordable prices allowing people to deploy their talents in order to create wealth and value while having a positive social impact. EMN is empowering its members to become acknowledged actors and partners in the financial sector that reach out to a large number of enterprising people who, in turn, create jobs and contribute to sustainable growth. EMN primarily focusses its activities in European Union and EFTA/EEA member states.

The [Microfinance Centre's \(MFC\)](#) mission is to contribute to poverty reduction and the development of human potential by promoting a socially-oriented and sustainable microfinance sector that provides adequate financial and non-financial services to a large numbers of poor families and micro-entrepreneurs. MFC primarily focusses its activities in Central and Eastern Europe and in the Commonwealth of Independent States.

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