

Press Release

Microfinance: lending for jobs, not for profit

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Brussels, 20th October – More than 200 participants met yesterday evening on the occasion of the opening session of the First European Microfinance Day, organised by the European Microfinance Network (EMN) and the Microfinance Centre (MFC), which is officially taking place today with the slogan "What if we could turn job seekers into job creators?".

Under the aegis of the Luxembourgish Presidency of the EU, the **European Microfinance Day was inaugurated** with a **high level opening session** addressed to European economic and policy decision-makers and other stakeholders. The opening session was honoured by the presence of **Her Majesty the Queen of the Belgians** and highlighted **the Commissioner for Employment, Social Affairs, Skills and Labour Mobility, Ms Marianne Thyssen** and **Mr Nicolas Schmit, for the Presidency of the Council of the European Union**, as keynote speakers.

The session included the signature of the first EaSI Guarantees with six European Microfinance Institutions (Adie, France; Microfinance Ireland, Ireland; Laboral Kutxa, Spain; Nextebank, Romania; PerMicro, Italy; and Qredits, The Netherlands), within the framework of the European Programme for Employment and Social Innovation (EaSI). The signature will allow 20,000 micro-enterprises to access loans worth 237 million euro.

"If European Microfinance is used to its full potential, we expect to create 60,000 jobs by 2020", said Commissioner Marianne Thyssen. All MFIs hailed the push that this agreement means for their activities. "We are committed to lending for jobs, not for profit", said Michael Johnson, CEO of Microfinance Ireland.

Minister Nicolas Schmit, linking to the tagline of the First European Microfinance Day, said "everyone can be the creator of his or her own activity". He continued, "microfinance works at its best as a job creation tool when it is accompanied by solid non-financial support which is a key factor for successful entrepreneurship".

Mr Philippe Maystadt, former President of the European Investment Bank (EIB) and President of microStart added "microfinance is filling a gap; there is no point in doing what banks are already doing". He also emphasised, "I am convinced that microfinance leads to social cohesion".

A tool to fight social exclusion and unemployment in Europe

The **1st European Microfinance Day** aims to raise awareness of **microfinance as a tool to fight social exclusion and unemployment in Europe**. Today, 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 EMN and MFC. The celebration of this day is the first of what is to become an annual event.

Microfinance is quickly becoming a **relevant tool to reduce social and financial exclusion** through the provision of financial and non-financial services (trainings, mentoring...). According to the latest *Overview of the Microcredit Sector in the EU* (EMN, 2014), by 2013 the microfinance sector in Europe had an impact on at least 250,000 jobs by its lending activity. With this in mind, the microfinance sector cannot avoid looking at the current socioeconomic context on our continent, with the arrivals of migrants looking for opportunities to take up their lives in Europe, as it was evoked during the opening session. Having proven the role of microfinance in strengthening financial inclusion of the under-served, the relevance of the sector would appear clear.

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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