

EUROPEAN PARLIAMENT

2004



2009

Committee on Budgets

2008/2122(INI)

11.12.2008

OPINION

of the Committee on Budgets

for the Committee on Economic and Monetary Affairs

on a European initiative for the development of micro-credit in support of
growth and employment
(2008/2122(INI))

Rapporteur: Gary Titley

(Initiative - Rule 39 of the Rules of Procedure)

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SUGGESTIONS

The Committee on Budgets calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- A. whereas the provision of micro-credit to people otherwise excluded from the financial system can achieve valuable social goals,
 - B. whereas the goal of allocations from the EU budget is that they should only be mobilised where capital markets and the European Investment Bank cannot fund projects due to low profitability and/or high risk, but where there is also a clear social benefit,
 - C. whereas it is important to ensure that anti-money laundering and anti-terrorism legislation does not inhibit the provision of micro-credit,
 - D. whereas Parliament has adopted a preparatory action on promoting a more favourable environment for micro-credit in Europe,
1. Calls on the Commission to investigate whether the social benefits resulting from micro-credit justify an increased role for EU instruments which blend both loan and grant aid;
 2. Emphasises that any EU initiative on micro-credit using public funds should be designed also to encourage private financing for microfinance institutions (MFIs);
 3. Calls on the Commission to consider whether an EU framework for non-bank MFIs is desirable and/or achievable and to examine its potential impact on the EU budget, considering potential social and economic benefits;
 4. Welcomes the Commission's Joint Action to Support Microfinance Institutions in Europe (JASMINE) initiative and calls for Parliament and the Commission to conduct an ongoing evaluation of JASMINE's effectiveness and added value;
 5. Calls on the Commission to ensure that micro-credit is equally available to areas not benefiting from structural funds given that pockets of deprivation and disadvantage exist even in the richest areas;
 6. Calls on the Commission to examine whether interest rate caps are an obstacle to the provision of micro-credit and, if they are, asks the Commission to examine whether it is possible to provide exemptions to interest rate caps for MFIs and non-bank MFIs;
 7. Calls on the Commission to undertake research in to innovative techniques for the granting, safeguarding and risk mitigation of micro-credits;
 8. Recognises the value of regionally based systems given that conditions for the provision of and the demand for, micro-credit differ greatly across the EU;

9. Welcomes the Commission's ongoing efforts to facilitate the exchange of best practice to promote and enhance policy measures in the field micro-credit in Europe.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	11.12.2008
Result of final vote	+ : 15 - : 0 0 : 0
Members present for the final vote	Richard James Ashworth, Reimer Böge, Simon Busuttil, Valdis Dombrovskis, Brigitte Douay, Vicente Miguel Garcés Ramón, Catherine Guy-Quint, Jutta Haug, Vladimír Maňka, Jan Mulder, Margaritis Schinas, László Surján, Kyösti Virrankoski, Ralf Walter
Substitute(s) present for the final vote	Peter Šťastný