

## Welcome Remarks by PKSf's MD

His Excellency **Mr. Abul Maal A Muhith**, MP, Hon'ble Finance Minister of Bangladesh,

H.E. **Mr. Md. Shahriar Alam**, MP, Honorable State Minister for Foreign Affairs of Bangladesh,

Respected Dr. **Qazi Kholiquzzaman Ahmad**, Chairman of PKSf,

**Mr. Firdaus Dahlan**, Director, IORA Secretariat

Respected guests, delegates, members of print and electronic media, Ladies and Gentlemen

Very Good Morning and Asalamualkum

I, on behalf of PKSf as a co-host of this workshop, welcome you this spring morning in today's inaugural session of IORA's Workshop on "Promoting Microfinance for Economic Development in IORA Region". It is our great privilege to work with IORA AND Ministry of Foreign Affairs of Bangladesh for organizing this important workshop. I feel very happy to welcome delegates from 20 member states and 6 observer countries of IORA.

At the outset, please allow me to mention few words about microfinance sector of Bangladesh and the role of PKSf in serving financial needs of the poor. Bangladesh has pioneered in microfinance programme. About 60% people of Bangladesh are directly or indirectly involved with microfinance. Around 38 million households are served by some 1000 Microfinance Institutions in the country. Among them, PKSf serves 10.7 million group members through 700 branches of its 250 plus Partner Organizations. PKSf has so far disbursed more than US \$ 23.26 billion microfinance through the POs. PKSf has successfully implemented twenty five poverty alleviation projects funded by different development partners including the World Bank, ADB, EU, DFID, IFAD, etc. One of our IFAD-funded projects has won 'Development Impact Honor Award' from the Treasury Department of the USA. One of our projects, "Programmed Initiatives for Monga Eradication" or PRIME has contributed significantly in eradicating seasonal hunger, we call '*monga*', from the northern part of the country.

In the beginning in 1990, with a view to generating employment for the rural poor, PKSf set the goal of creating self-employment opportunities in the rural off-farm sector and adopted the strategy of promoting loan programme for alleviation of poverty. This loan programme, launched for rural moderate poor, has been diversified over time in accordance with the changing needs of heterogeneous poor and has gradually evolved into "inclusive financing programme". With a view to enabling the poor to come out from low productivity trap, PKSf has integrated capacity building, technology transfer, value chain development and other technical services in its development programme.

PKSf has gained in-depth understanding and valuable experiences on multi-dimensional aspects of poverty and reshaped its core goal as "instituting human dignity" instead of limiting its efforts towards achieving economic freedom. It has become an inclusive financing and development institution during its 25 years' journey. It provides fund for ultra poor moderately poor, micro-entrepreneurs and technical services for health, education, nutrition, sanitation, training, etc.

PKSF has undertaken a holistic, integrated programme for total family-based development approach titled *Enhancing Resources and Increasing Capacities of Poor Households towards Elimination of their Poverty (ENRICH)*. The overarching objective of ENRICH is to help the poor creating an enabling environment so that they can increase their income, protect themselves from income erosion, improve their human capabilities, raise their social standing, and expand their choices. PKSF model of poverty alleviation and employment generation has been replicated in a number of countries.

Ladies and Gentlemen,

As I speak to you this morning, half of world population is in poverty with less than \$2.50 income per day. Income of the poorest 40% of the world's population is less than 5% of global income. While Europe's annual expenditure on cigarette and alcohol consumption is \$155 billion and global annual military expenditure is around \$800 billion, a mere \$6 billion would ensure universal education every year for the poor children. At the moment 130 million people have access to microfinance which is only 20% of their requirement. Bangladesh being the birth place of retail microfinance (Grameen Bank), wholesale microfinance (PKSF) and the regulatory authority (MRA) seems to be the ideal venue for IORA's international conference on microfinance. Indian Ocean Rim is unfortunately one of the poorest regions in the world. As such, IORA's workshop is timely and will hopefully contribute towards poverty alleviation.

We are happy that IORA entrusted Bangladesh, particularly PKSF, with the responsibility of organizing this workshop. We acknowledge all help and cooperation received from our Foreign Ministry and the IORA Secretariat. We are looking forward to working with IORA in all endeavors that will benefit the disadvantaged people of the region on a continuous basis.

Once again, I welcome you all and hope that we will have a very successful workshop today and tomorrow.

With these few words, I would request Mr Firdaus Dahlan, Director of IORA Secretariat to kindly give his opening remarks.