

Union Calendar No. 44

106TH CONGRESS
1ST Session

H. R. 1143

[Report No. 106-82]

A BILL

To establish a program to provide assistance for programs of credit and other financial services for microenterprises in developing countries, and for other purposes.

APRIL 12, 1999

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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To establish a program to provide assistance for programs of credit and other financial services for microenterprises in developing countries, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 17, 1999

Mr. GILMAN (for himself, Mr. GEJDENSON, Mr. HOUGHTON, Mr. HALL of Ohio, Mr. BEREUTER, Mr. GOODLING, Ms. ROS-LEHTINEN, Mr. PAYNE, Mr. ROHRABACHER, Mr. LANTOS, Mr. OBERSTAR, Mr. BILBRAY, Mr. MEEHAN, Mr. DELAHUNT, Mr. ANDREWS, Mrs. MEEK of Florida, Mrs. MORELLA, Mr. POMEROY, Mr. MCHUGH, Mr. FILNER, Mr. TANCREDO, Mr. BROWN of Ohio, Mr. FALEOMAVAEGA, Mr. LAFALCE, and Mr. GREENWOOD) introduced the following bill; which was referred to the Committee on International Relations

APRIL 12, 1999

Committed to the Committee of the Whole House on the State of the Union
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A BILL

To establish a program to provide assistance for programs of credit and other financial services for microenterprises in developing countries, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Microenterprise for
3 Self-Reliance Act of 1999”.

4 **SEC. 2. FINDINGS AND DECLARATIONS OF POLICY.**

5 The Congress makes the following findings and dec-
6 larations:

7 (1) According to the World Bank, more than
8 1,200,000,000 people in the developing world, or
9 one-fifth of the world’s population, subsist on less
10 than \$1 a day.

11 (2) Over 32,000 of their children die each day
12 from largely preventable malnutrition and disease.

13 (3)(A) Women in poverty generally have larger
14 work loads and less access to educational and eco-
15 nomic opportunities than their male counterparts.

16 (B) Directly aiding the poorest of the poor, es-
17 pecially women, in the developing world has a posi-
18 tive effect not only on family incomes, but also on
19 child nutrition, health and education, as women in
20 particular reinvest income in their families.

21 (4)(A) The poor in the developing world, par-
22 ticularly women, generally lack stable employment
23 and social safety nets.

24 (B) Many turn to self-employment to generate
25 a substantial portion of their livelihood. In Africa,

1 over 80 percent of employment is generated in the
2 informal sector of the self-employed poor.

3 (C) These poor entrepreneurs are often trapped
4 in poverty because they cannot obtain credit at rea-
5 sonable rates to build their asset base or expand
6 their otherwise viable self-employment activities.

7 (D) Many of the poor are forced to pay interest
8 rates as high as 10 percent per day to money lend-
9 ers.

10 (5)(A) The poor are able to expand their in-
11 comes and their businesses dramatically when they
12 can access loans at reasonable interest rates.

13 (B) Through the development of self-sustaining
14 microfinance programs, poor people themselves can
15 lead the fight against hunger and poverty.

16 (6)(A) On February 2–4, 1997, a global Micro-
17 credit Summit was held in Washington, District of
18 Columbia, to launch a plan to expand access to cred-
19 it for self-employment and other financial and busi-
20 ness services to 100,000,000 of the world's poorest
21 families, especially the women of those families, by
22 2005. While this scale of outreach may not be
23 achievable in this short timeframe, the realization of
24 this goal could dramatically alter the face of global
25 poverty.

1 (B) With an average family size of five, achiev-
2 ing this goal will mean that the benefits of micro-
3 finance will thereby reach nearly half of the world's
4 more than 1,000,000,000 absolute poor people.

5 (7)(A) Nongovernmental organizations, such as
6 those that comprise the Microenterprise Coalition
7 (such as the Grameen Bank (Bangladesh,) K-REP
8 (Kenya), and networks such as Accion International,
9 the Foundation for International Community Assist-
10 ance (FINCA), and the credit union movement) are
11 successful in lending directly to the very poor.

12 (B) Microfinance institutions such as BRAC
13 (Bangladesh), BancoSol (Bolivia), SEWA Bank
14 (India), and ACEP (Senegal) are regulated financial
15 institutions that can raise funds directly from the
16 local and international capital markets.

17 (8)(A) Microenterprise institutions not only re-
18 duce poverty, but also reduce the dependency on for-
19 eign assistance.

20 (B) Interest income on the credit portfolio is
21 used to pay recurring institutional costs, assuring
22 the long-term sustainability of development assist-
23 ance.

1 (9) Microfinance institutions leverage foreign
2 assistance resources because loans are recycled, gen-
3 erating new benefits to program participants.

4 (10)(A) The development of sustainable micro-
5 finance institutions that provide credit and training,
6 and mobilize domestic savings, are critical compo-
7 nents to a global strategy of poverty reduction and
8 broad-based economic development.

9 (B) In the efforts of the United States to lead
10 the development of a new global financial architec-
11 ture, microenterprise should play a vital role. The
12 recent shocks to international financial markets
13 demonstrate how the financial sector can shape the
14 destiny of nations. Microfinance can serve as a pow-
15 erful tool for building a more inclusive financial sec-
16 tor which serves the broad majority of the world's
17 population including the very poor and women and
18 thus generate more social stability and prosperity.

19 (C) Over the last two decades, the United
20 States has been a global leader in promoting the
21 global microenterprise sector, primarily through its
22 development assistance programs at the United
23 States Agency for International Development. Addi-
24 tionally, the United States Department of the Treas-
25 ury and the Department of State have used their au-

1 thority to promote microenterprise in the develop-
2 ment programs of international financial institutions
3 and the United Nations.

4 (11)(A) In 1994, the United States Agency for
5 International Development launched the “Micro-
6 enterprise Initiative” in partnership with the Con-
7 gress.

8 (B) The initiative committed to expanding
9 funding for the microenterprise programs of the
10 Agency, and set a goal that, by the end of fiscal year
11 1996, half of all microenterprise resources would
12 support programs and institutions that provide cred-
13 it to the poorest, with loans under \$300.

14 (C) In order to achieve the goal of the micro-
15 credit summit, increased investment in microcredit
16 institutions serving the poorest will be critical.

17 (12) Providing the United States share of the
18 global investment needed to achieve the goal of the
19 microcredit summit will require only a small increase
20 in United States funding for international micro-
21 credit programs, with an increased focus on institu-
22 tions serving the poorest.

23 (13)(A) In order to reach tens of millions of the
24 poorest with microcredit, it is crucial to expand and
25 replicate successful microcredit institutions.

1 (B) These institutions need assistance in devel-
2 oping their institutional capacity to expand their
3 services and tap commercial sources of capital.

4 (14) Nongovernmental organizations have dem-
5 onstrated competence in developing networks of local
6 microfinance institutions and other assistance deliv-
7 ery mechanisms so that they reach large numbers of
8 the very poor, and achieve financial sustainability.

9 (15) Recognizing that the United States Agency
10 for International Development has developed very ef-
11 fective partnerships with nongovernmental organiza-
12 tions, and that the Agency will have fewer missions
13 to carry out its work, the Agency should place pri-
14 ority on investing in those nongovernmental network
15 institutions that meet performance criteria through
16 the central funding mechanisms of the Agency.

17 (16) By expanding and replicating successful
18 microcredit institutions, it should be possible to cre-
19 ate a global infrastructure to provide financial serv-
20 ices to the world's poorest families.

21 (17)(A) The United States can provide leader-
22 ship to other bilateral and multilateral development
23 agencies as such agencies expand their support to
24 the microenterprise sector.

1 (B) The United States should seek to improve
2 coordination among G–7 countries in the support of
3 the microenterprise sector in order to leverage the
4 investment of the United States with that of other
5 donor nations.

6 (18) Through increased support for microenter-
7 prise, especially credit for the poorest, the United
8 States can continue to play a leadership role in the
9 global effort to expand financial services and oppor-
10 tunity to 100,000,000 of the poorest families on the
11 planet.

12 **SEC. 3. PURPOSES.**

13 The purposes of this Act are—

14 (1) to make microenterprise development an im-
15 portant element of United States foreign economic
16 policy and assistance;

17 (2) to provide for the continuation and expan-
18 sion of the commitment of the United States Agency
19 for International Development to the development of
20 microenterprise institutions as outlined in its 1994
21 Microenterprise Initiative;

22 (3) to support and develop the capacity of
23 United States and indigenous nongovernmental or-
24 ganization intermediaries to provide credit, savings,

1 training and technical services to microentre-
2 preneurs;

3 (4) to increase the amount of assistance de-
4 voted to credit activities designed to reach the poor-
5 est sector in developing countries, and to improve
6 the access of the poorest, particularly women, to
7 microenterprise credit in developing countries; and

8 (5) to encourage the United States Agency for
9 International Development to coordinate micro-
10 finance policy, in consultation with the Department
11 of the Treasury and the Department of State, and
12 to provide global leadership in promoting micro-
13 enterprise for the poorest among bilateral and multi-
14 lateral donors.

15 **SEC. 4. MICROENTERPRISE DEVELOPMENT GRANT ASSIST-**
16 **ANCE.**

17 Chapter 1 of part I of the Foreign Assistance Act
18 of 1961 (22 U.S.C. 2151 et seq.) is amended—

19 (1) by redesignating the second section 129 (as
20 added by section 4 of the Torture Victims Relief Act
21 of 1998 (Public Law 105–320)) as section 130; and

22 (2) by adding at the end the following new sec-
23 tion:

1 **“SEC. 131. MICROENTERPRISE DEVELOPMENT GRANT AS-**
2 **SISTANCE.**

3 “(a) FINDINGS AND POLICY.—The Congress finds
4 and declares that—

5 “(1) the development of microenterprise is a
6 vital factor in the stable growth of developing coun-
7 tries and in the development of free, open, and equi-
8 table international economic systems;

9 “(2) it is therefore in the best interest of the
10 United States to assist the development of micro-
11 enterprises in developing countries; and

12 “(3) the support of microenterprise can be
13 served by programs providing credit, savings, train-
14 ing, and technical assistance.

15 “(b) AUTHORIZATION.—(1) In carrying out this part,
16 the President is authorized to provide grant assistance for
17 programs to increase the availability of credit and other
18 services to microenterprises lacking full access to capital
19 and training through—

20 “(A) grants to microfinance institutions for the
21 purpose of expanding the availability of credit, sav-
22 ings, and other financial services to microentre-
23 preneurs;

24 “(B) training, technical assistance, and other
25 support for microenterprises to enable them to make
26 better use of credit, to better manage their enter-

1 prises, and to increase their income and build their
2 assets;

3 “(C) capacity building for microfinance institu-
4 tions in order to enable them to better meet the
5 credit and training needs of microentrepreneurs; and

6 “(D) policy and regulatory programs at the
7 country level that improve the environment for
8 microfinance institutions that serve the poor and
9 very poor.

10 “(2) Assistance authorized under paragraph (1) shall
11 be provided through organizations that have a capacity to
12 develop and implement microenterprise programs, includ-
13 ing particularly—

14 “(A) United States and indigenous private and
15 voluntary organizations;

16 “(B) United States and indigenous credit
17 unions and cooperative organizations;

18 “(C) other indigenous governmental and non-
19 governmental organizations; or

20 “(D) business development services, including
21 indigenous craft programs.

22 “(3) In carrying out sustainable poverty-focused pro-
23 grams under paragraph (1), 50 percent of all microenter-
24 prise resources shall be used for direct support of pro-
25 grams under this subsection through practitioner institu-

1 tions that provide credit and other financial services to
2 the poorest with loans of \$300 or less in 1995 United
3 States dollars and can cover their costs of credit programs
4 with revenue from lending activities or that demonstrate
5 the capacity to do so in a reasonable time period.

6 “(4) The President should continue support for cen-
7 tral mechanisms and missions that—

8 “(A) provide technical support for field mis-
9 sions;

10 “(B) strengthen the institutional development
11 of the intermediary organizations described in para-
12 graph (2);

13 “(C) share information relating to the provision
14 of assistance authorized under paragraph (1) be-
15 tween such field missions and intermediary organiza-
16 tions; and

17 “(D) support the development of nonprofit glob-
18 al microfinance networks, including credit union sys-
19 tems, that—

20 “(i) are able to deliver very small loans
21 through a vast grassroots infrastructure based
22 on market principles; and

23 “(ii) act as wholesale intermediaries pro-
24 viding a range of services to microfinance retail
25 institutions, including financing, technical as-

1 sistance, capacity building and safety and
2 soundness accreditation.

3 “(5) Assistance provided under this subsection may
4 only be used to support microenterprise programs and
5 may not be used to support programs not directly related
6 to the purposes described in paragraph (1).

7 “(c) MONITORING SYSTEM.—In order to maximize
8 the sustainable development impact of the assistance au-
9 thorized under subsection (a)(1), the Administrator of the
10 United States Agency for International Development shall
11 establish a monitoring system that—

12 “(1) establishes performance goals for such as-
13 sistance and expresses such goals in an objective and
14 quantifiable form, to the extent feasible;

15 “(2) establishes performance indicators to be
16 used in measuring or assessing the achievement of
17 the goals and objectives of such assistance;

18 “(3) provides a basis for recommendations for
19 adjustments to such assistance to enhance the sus-
20 tainable development impact of such assistance, par-
21 ticularly the impact of such assistance on the very
22 poor, particularly poor women; and

23 “(4) provides a basis for recommendations for
24 adjustments to measures for reaching the poorest of

1 the poor, including proposed legislation containing
2 amendments to improve paragraph (3).

3 “(d) AUTHORIZATION OF APPROPRIATIONS.—

4 “(1) IN GENERAL.—(A) There are authorized
5 to be appropriated \$152,000,000 for fiscal year
6 2000 and \$167,000,000 for fiscal year 2001 to carry
7 out this section.

8 “(B) Amounts appropriated pursuant to the au-
9 thorization of appropriations under subparagraph
10 (A) are authorized to remain available until ex-
11 pended.

12 “(2) RULE OF CONSTRUCTION.—Amounts au-
13 thorized to be appropriated under paragraph (1) are
14 in addition to amounts otherwise available to carry
15 out this section.”.

16 **SEC. 5. MICRO- AND SMALL ENTERPRISE DEVELOPMENT**
17 **CREDITS.**

18 Section 108 of the Foreign Assistance Act of 1961
19 (22 U.S.C. 2151f) is amended to read as follows:

20 **“SEC. 108. MICRO- AND SMALL ENTERPRISE DEVELOPMENT**
21 **CREDITS.**

22 “(a) FINDINGS AND POLICY.—The Congress finds
23 and declares that—

24 “(1) the development of micro- and small enter-
25 prises are a vital factor in the stable growth of de-

1 veloping countries and in the development and sta-
2 bility of a free, open, and equitable international
3 economic system; and

4 “(2) it is, therefore, in the best interests of the
5 United States to assist the development of the enter-
6 prises of the poor in developing countries and to en-
7 gage the United States private sector in that proc-
8 ess.

9 “(b) PROGRAM.—To carry out the policy set forth in
10 subsection (a), the President is authorized to provide as-
11 sistance to increase the availability of credit to micro- and
12 small enterprises lacking full access to credit, including
13 through—

14 “(1) loans and guarantees to credit institutions
15 for the purpose of expanding the availability of cred-
16 it to micro- and small enterprises;

17 “(2) training programs for lenders in order to
18 enable them to better meet the credit needs of
19 microentrepreneurs; and

20 “(3) training programs for microentrepreneurs
21 in order to enable them to make better use of credit
22 and to better manage their enterprises.

23 “(c) ELIGIBILITY CRITERIA.—The Administrator of
24 the United States Agency for International Development
25 shall establish criteria for determining which entities de-

1 scribed in subsection (b) are eligible to carry out activities,
2 with respect to micro- and small enterprises, assisted
3 under this section. Such criteria may include the following:

4 “(1) The extent to which the recipients of credit
5 from the entity do not have access to the local for-
6 mal financial sector.

7 “(2) The extent to which the recipients of credit
8 from the entity are among the poorest people in the
9 country.

10 “(3) The extent to which the entity is oriented
11 toward working directly with poor women.

12 “(4) The extent to which the entity recovers its
13 cost of lending to the poor.

14 “(5) The extent to which the entity implements
15 a plan to become financially sustainable.

16 “(d) ADDITIONAL REQUIREMENT.—Assistance pro-
17 vided under this section may only be used to support
18 micro- and small enterprise programs and may not be used
19 to support programs not directly related to the purposes
20 described in subsection (b).

21 “(e) AUTHORIZATION OF APPROPRIATIONS.—

22 “(1) IN GENERAL.—(A) There are authorized
23 to be appropriated \$1,500,000 for each of the fiscal
24 years 2000 and 2001 to carry out this section.

1 “(B) Amounts authorized to be appropriated
 2 under subparagraph (A) shall be made available for
 3 the subsidy cost, as defined in section 502(5) of the
 4 Federal Credit Reform Act of 1990, for activities
 5 under this section.

6 “(2) ADMINISTRATIVE EXPENSES.—There are
 7 authorized to be appropriated \$500,000 for each of
 8 the fiscal years 2000 and 2001 for the cost of
 9 administrative expenses in carrying out this section.

10 “(3) RULE OF CONSTRUCTION.—Amounts au-
 11 thorized to be appropriated under this subsection are
 12 in addition to amounts otherwise available to carry
 13 out this section.”.

14 **SEC. 6. MICROFINANCE LOAN FACILITY.**

15 Chapter 1 of part 1 of the Foreign Assistance Act
 16 of 1961 (22 U.S.C. 2151 et seq.), as amended by this Act,
 17 is further amended by adding the following new section:

18 **“SEC. 132. UNITED STATES MICROFINANCE LOAN FACILITY.**

19 “(a) ESTABLISHMENT.—The Administrator of the
 20 United States Agency for International Development is
 21 authorized to establish a United States Microfinance Loan
 22 Facility (hereinafter in this section referred to as the ‘Fa-
 23 cility’) to pool and manage the risk from natural disasters,
 24 war or civil conflict, national financial crisis, or short-term
 25 financial movements that threaten the long-term develop-

1 ment of United States-supported microfinance institu-
2 tions.

3 “(b) SUPERVISORY BOARD OF THE FACILITY.—(1)
4 The Facility shall be supervised by a board composed of
5 the following representatives appointed by the President
6 not later than 180 days after the date of the enactment
7 of Microenterprise for Self-Reliance Act of 1999:

8 “(A) 1 representative from the Department of
9 the Treasury.

10 “(B) 1 representative from the Department of
11 State.

12 “(C) 1 representative from the United States
13 Agency for International Development.

14 “(D)(i) 2 United States citizens from United
15 States nongovernmental organizations that operate
16 United States-sponsored microfinance activities.

17 “(ii) Individuals described in clause (i) shall be
18 appointed for a term of 2 years.

19 “(2) The Administrator of the United States Agency
20 for International Development or his designee shall serve
21 as Chairman and an additional voting member of the
22 board.

23 “(c) DISBURSEMENTS.—(1) The board shall make
24 disbursements from the Facility to United States-spon-
25 sored microfinance institutions to prevent the bankruptcy

1 of such institutions caused by (A) natural disasters, (B)
2 national wars or civil conflict, and (C) national financial
3 crisis or other short term financial movements that threat-
4 en the long-term development of United States-supported
5 microfinance institutions. Such disbursements shall be
6 made as concessional loans that are repaid maintaining
7 the real value of the loan to microfinance institutions that
8 demonstrate the capacity to resume self-sustained oper-
9 ations within a reasonable time period. The Facility shall
10 provide for loan losses with each loan disbursed.

11 “(2) During each of the fiscal years 2001 and 2002,
12 funds may not be made available from the Facility until
13 15 days after notification of the availability has been pro-
14 vided to the congressional committees specified in section
15 634A of this Act in accordance with the procedures appli-
16 cable to reprogramming notifications under that section.

17 “(d) REPORT.—Not later than 60 days after the date
18 on which the last representative to the board is appointed
19 pursuant to subsection (b), the chairman of the board
20 shall prepare and submit to the appropriate congressional
21 committees a report on the policies, rules, and regulations
22 of the Facility.

23 “(e) FUNDING.—(1) Not more than \$5,000,000 of
24 amounts made available to carry out sections 103 through
25 106 of this Act for each of the fiscal years 2000 and 2001

1 may be made available to carry out this section for each
2 such fiscal year.

3 “(2) Amounts made available under paragraph (1)
4 are in addition to amounts available under other provi-
5 sions of law to carry out this section.

6 “(f) DEFINITIONS.—In this section:

7 “(1) APPROPRIATE CONGRESSIONAL COMMIT-
8 TEES.—The term ‘appropriate congressional com-
9 mittees’ means the Committee on International Re-
10 lations of the House of Representatives and the
11 Committee on Foreign Relations of the Senate.

12 “(2) UNITED STATES-SUPPORTED MICRO-
13 FINANCE INSTITUTION.—The term ‘United States-
14 supported microfinance institution’ means a finan-
15 cial intermediary that has received funds made avail-
16 able under this Act for fiscal year 1980 and each
17 subsequent fiscal year.”.

18 **SEC. 7. REPORT RELATING TO FUTURE DEVELOPMENT OF**
19 **MICROFINANCE INSTITUTIONS.**

20 (a) REPORT.—Not later than 180 days after the date
21 of the enactment of this Act, the President, in consultation
22 with the Administrator of the United States Agency for
23 International Development, the Secretary of State, and
24 the Secretary of the Treasury, shall prepare and transmit
25 to the appropriate congressional committees a report on

1 the most cost-effective methods for increasing the access
2 of poor people to credit, other financial services, and re-
3 lated training.

4 (b) CONTENTS.—The report described in subsection
5 (a)—

6 (1) should include how the President, in con-
7 sultation with the Administrator of the United
8 States Agency for International Development, the
9 Secretary of State, and the Secretary of the Treas-
10 ury, will jointly develop a comprehensive strategy for
11 advancing the global microenterprise sector in a way
12 that maintains market principles while assuring that
13 the very poor, particularly women, obtain access to
14 financial services; and

15 (2) shall provide guidelines and recommenda-
16 tions for—

17 (A) instruments to assist microenterprise
18 networks to develop multi-country and regional
19 microlending programs;

20 (B) technical assistance to foreign govern-
21 ments, foreign central banks and regulatory en-
22 tities to improve the policy environment for
23 microfinance institutions, and to strengthen the
24 capacity of supervisory bodies to supervise
25 microcredit institutions;

1 (C) the potential for federal chartering of
2 United States-based international microfinance
3 network institutions, including proposed legisla-
4 tion;

5 (D) instruments to increase investor con-
6 fidence in microcredit institutions which would
7 strengthen the long-term financial position of
8 the microcredit institutions and attract capital
9 from private sector entities and individuals,
10 such as a rating system for microcredit institu-
11 tions and local credit bureaus;

12 (E) an agenda for integrating microfinance
13 into United States foreign policy initiatives
14 seeking to develop and strengthen the global fi-
15 nance sector; and

16 (F) innovative instruments to attract funds
17 from the capital markets, such as instruments
18 for leveraging funds from the local commercial
19 banking sector, and the securitization of
20 microloan portfolios.

21 (c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-
22 FINED.—In this section, the term “appropriate congres-
23 sional committees” means the Committee on International
24 Relations of the House of Representatives and the Com-
25 mittee on Foreign Relations of the Senate.

1 **SEC. 8. UNITED STATES AGENCY FOR INTERNATIONAL DE-**
2 **VELOPMENT AS GLOBAL LEADER AND COOR-**
3 **DINATOR OF BILATERAL AND MULTILATERAL**
4 **MICROENTERPRISE ASSISTANCE ACTIVITIES.**

5 (a) FINDINGS AND POLICY.—The Congress finds and
6 declares that—

7 (1) the United States can provide leadership to
8 other bilateral and multilateral development agencies
9 as such agencies expand their support to the micro-
10 enterprise sector; and

11 (2) the United States should seek to improve
12 coordination among G-7 countries in the support of
13 the microenterprise sector in order to leverage the
14 investment of the United States with that of other
15 donor nations.

16 (b) SENSE OF THE CONGRESS.—It is the sense of
17 the Congress that—

18 (1) the Administrator of the United States
19 Agency for International Development and the Sec-
20 retary of State should seek to support and strength-
21 en the effectiveness of microfinance activities in
22 United Nations agencies, such as the International
23 Fund for Agricultural Development (IFAD) and the
24 United Nations Development Program (UNDP),
25 which have provided key leadership in developing the
26 microenterprise sector; and

1 (2) the Secretary of the Treasury should in-
2 struct each United States Executive Director of the
3 Multilateral Development Banks (MDBs) to advo-
4 cate the development of a coherent and coordinated
5 strategy to support the microenterprise sector and
6 an increase of multilateral resource flows for the
7 purposes of building microenterprise retail and
8 wholesale intermediaries.