

Ujjivan included on the steering committee of the Coalition for Client Protection in Microfinance

The first international meeting regarding Client Protection principles was held in Washington D.C., hosted by the Center for Financial Inclusion at Accion in collaboration with CGAP. The Coalition for Client Protection in Microfinance was created to protect microfinance clients for their benefit as well as for the benefit of the industry as a whole. The campaign is committed to engaging with at least half of the world's 500 largest MFIs within the next three years.

Steering committee members included representatives from national MFI networks from around the world, various international organizations that promote microfinance as well as select MFIs, of which Ujjivan was the only representative from India.

The Client Protection Principles describe the minimum protection microfinance clients should expect from providers. The consensus over the past several years has surfaced that providers of financial services to low-income clients should adhere to the following six core principles:

1. Avoidance of Over-Indebtedness
2. Transparent Pricing
3. Appropriate Collections Practices
4. Ethical Staff Behavior
5. Mechanisms for Redress of Grievances
6. Privacy of Client Data

The goals of the coalition are to raise awareness in the industry about the basic client protection principles and assist a majority of the MFIs in the world to incorporate this concept into their operations using a variety of tools and processes. The coalition plans to develop processes that will allow for certification of MFIs as 'pro-consumer,' thus eventually increasing the ability of funders (and ultimately clients) to be effectively selective.