

# **Common Declaration of M7**

***On building a solid M7 Network to better serve economically and socially disadvantaged groups and ethnic minority groups in difficult regions.***

## **1. Introduction**

July 5<sup>th</sup> 2011, we are:

- 1) Mrs. Vu Thi Khau, Director of Supporting fund for ethnic women of Mai Son
- 2) Mrs. Le Thi Hai Yen, Director of Promotion Fund for Women Development of Uong Bi
- 3) Mrs. Nguyen Thi Soat, Director of Supporting Fund for Women of Dong Trieu
- 4) Mrs. Nguyen Thi Hong Kham, Director of Women Development Fund of Dien Bien Phu City
- 5) Mrs. Nguyen Thi Yen, Director of Supporting fund for women of Dien Bien District
- 6) Mrs. Tu Thi Phuong Nga, Director of Center for the Development of the Poor (PPC), Can Loc
- 7) Mrs. Nguyen Thi Minh Nguyet, Director of Supporting fund for women of Ninh Phuoc
- 8) Mrs. Le Thi Lan, Director of M7 MPA project

agree to organize the 5 year establishment anniversary of M7 Network in Hanoi. Representatives of M7 members also agree on the assessment report of 5-year operation presented by the Director of M7 Network, and on a common declaration on "***building a solid M7 Network to better serve economically and socially disadvantaged groups and ethnic minority groups in difficult regions.***"

## **2. Vision of M7**

All network members unanimously determine that the establishment and ongoing existence of M7 are to serve disadvantaged people, especially women and ethnic minority groups, enable them to accumulate and protect assets, and improve quality of life and social status by providing financial services.

Therefore, the network must become ***a "LEADING organization in providing QUALITY AND SUSTAINABLE financial services for economically and socially disadvantaged groups and ethnic minority groups in difficult regions."***

## **3. 6 core values**

M7 members acknowledge that in order to build a sustainable network, all leaders, officers and members must thoroughly understand and practice 6 following core values:

**"Capacity – Professionalism - Transparency – Respect – Cooperation – Friendliness"**

Leaders are responsible for educating and disciplining their subordinates and members to apply these values in their daily activities and operation to build up M7's organizational culture.

## **4. Capacity building is the foremost factor need to be improved**

M7 leaders strongly believe that capacity building for operation managing human resource is of extreme importance, determining personal development of each member. The advance of manpower's capacity depends not only on recruitment process, intensive training courses but also on human resource arrangement. Other effective training methods include mentoring, assigning tasks, decentralizing to give employee opportunity to develop. And, since leader's style directly have impact on employees, the leader should be a good model, a person to steer their organization moving forward.

**5. Restructuring organization and financial operation to follow current legal framework while still being consistent in serving poor and ethnic minority women**

In the context of a quite unstable economy which is in transition, organizational and financial restructuring so as to conform with effective law and meet demands of customers is a requirement for each organization. Organization structuring, human resource arrangement and policy amendment must be based on long-term benefit of the organization itself and customers, on law and fundamental principles of microfinance. The Network has a duty to research, learn from other models and apply the best practices as well as supervise the operation of each unit to ensure the consistency and discipline of microfinance.

**6. Developing M7 Network in width and depth, contributing to the National strategy for socio-economic development, rapid and sustainable poverty reduction (2011-2015)**

In recent years, economic crisis, inflation and credit shortage have caused a lot of difficulties to the production and life of people. According to a new standard, the number of people who are impoverished and who fall back to poverty is relatively large. There are more than 3 million poor households and above 1.6 million near-poor households nationwide. Within M7's operation region, there are many areas with high poverty rate among which Dien Bien is the poorest province in the country where more than 56% of its population is considered poor. Four districts have poverty rate exceeding 68%, and more than 90.4% of their communes are poor. In this situation, M7 have to expand its outreach, prioritizing M7 region. However, in order to do this, the units in Dien Bien must strengthen its organization, train its officers, and closely cooperate with CFRC in calling for external aid to set a solid foundation for further steps in future.

**7. Promoting public communication activity, policy advocacy, and fund raising**

M7 should maintain public communication activities, and policy advocacy through various channels such as printed publications, website, conferences, forums, meetings with policy makers, contribute opinion on draft documents on related policies and strategies to facilitate the development of microfinance, continue to propose tax policy applied for microfinance institutions and policy encouraging microinsurance for low-income people.

*Signatures of M7 Network's member*

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