

15 December 2022

## **Complaint raised against Oikocredit with the OECD Guidelines National Contact Point in the Netherlands**

Oikocredit International is aware that a complaint against the cooperative is raised with the National Contact Point for implementing the OECD Guidelines in the Netherlands. The complaint is raised by three non-government organisations LICADHO, Equitable Cambodia and FIAN Germany.

Oikocredit International will fully cooperate with the National Contact Point and provide all the necessary information.

For decades, Oikocredit has been financing organisations that provide financial services such as microcredit to people who are usually excluded from formal financial services. We believe that microfinance is an important tool for development. Microcredit is not a panacea, and microfinance cannot replace public social services, nor can it alone bring global justice. However, responsible microfinance helps to give economically disadvantaged people the opportunity to shape their lives independently and improve their living conditions.

Oikocredit's goal as an investor in microfinance is to sustainably improve the quality of life of low-income people by supporting our partners in their provision of responsible and inclusive financial services. We provide our partners with capacity building and training where needed. We also support activities related to capacity building and training on responsible finance.

We, therefore, take any reports of potential unethical behaviour by our partners very seriously.

As an investor in Cambodia's microfinance sector, our channel of influence and positive impact is with our carefully selected partners. We have investigated and will investigate any allegations of unethical practices with our partners.

We also discuss matters with other lenders to the sector for a coordinated response. We work closely with other international organisations committed to ensuring the protection of microfinance clients and improving business practices (SPTF, CERISE and others) and local microfinance associations.

Oikocredit remains confident that our carefully selected partners are fulfilling their agreements with Oikocredit and are committed to best practices in client protection.

That said, we continue to be vigilant. We are engaging with our partners to address any misalignment with client protection and ethical standards.

We also remain mindful that there will always be room for improvement in any market. Through our proactive approach, working closely with our partners and the sector, we are committed to continuously working towards this.

Oikocredit welcomes a wider stakeholder dialogue, including key stakeholders in Cambodian microfinance, i.e. the MFIs – including our partners – the Cambodia Microfinance Association, the lenders to the sector, the Credit Bureau of Cambodia, and the National Bank of Cambodia. We believe that by engaging and working with all stakeholders, we will be able to contribute to positive steps towards improving the microfinance sector in Cambodia.

We remain committed to investing in microfinance in Cambodia. Our partners are making a difference to the lives of low-income people.