



DECLARATION OF SUPPORT FOR THE PRINCIPLES OF THE SMART CAMPAIGN FOR CLIENT PROTECTION

We the undersigned, in our capacity as the Board of Trustees of Deki, agree to endorse the principles outlined by the global [Smart Campaign](#) for client protection in microfinance, which are as follows (Deki statements in italics):

1. That MFIs will take adequate care to design products and delivery channels in such a way that they do not cause entrepreneurs harm and that they are designed with entrepreneurs' interests in mind. *We will work with our field partners whenever appropriate to ensure that their products are suitable for the entrepreneurs they serve or aim to serve.*
2. That MFIs will take adequate care in all phases of their credit process to determine that entrepreneurs have the capacity to repay without becoming overindebted. *We will work with our field partners to develop and put into place strategies for monitoring the indebtedness of entrepreneurs, in order to prevent them from being overburdened with unsustainable debt.*
3. That MFIs will provide clear, sufficient and timely information in a manner and language entrepreneurs can understand so that entrepreneurs can make informed decisions, especially regarding pricing and terms and conditions. *We will work with our field partners to ensure that their products are adequately explained to entrepreneurs, as well as continuing to look at ways that we can show product pricing on the Deki website.*
4. That MFIs will price their products in a manner that is affordable to entrepreneurs and does not generate excessive profits. MFIs will also seek to provide positive real returns on deposits wherever practical. *We will continue to monitor the pricing of financial products funded by Deki lenders, and will seek to monitor the profitability of our partners' credit operations to ensure as far as possible that they are not making use of Deki funds to finance usurious lending. We will also seek to ensure that compulsory savings do not place too onerous a financial burden on entrepreneurs.*
5. That MFIs and their agents will treat entrepreneurs and potential borrowers fairly and respectfully. They will not discriminate, and will ensure that adequate safeguards exist to detect and correct corruption, as well as protecting entrepreneurs against unfair practices during the sale of credit products and the collection of debts. *We will work with our field partners to ensure that they have fair and morally acceptable collections policies that are translated into practice, and that they do not discriminate against potential entrepreneurs based on ethnicity, religion*

or any other category, except in cases where such discrimination can be justified in a context where a particular group are institutionally excluded from mainstream society and a Deki partner wishes to favour them in order to redress such injustice.

6. That MFIs will respect and protect entrepreneur data in accordance with the laws and regulations of individual jurisdictions. *We will work with our field partners to ensure that all Deki entrepreneurs are aware that their information will appear on the Deki website, and that their information and likenesses may be used in Deki promotional materials. It is very important to us that the entrepreneurs understand how their information is being used, and that they have agreed to this in advance.*

7. That MFIs will have in place timely and responsive mechanisms for the resolution of complaints, and will look to improve these whenever necessary. *We believe that it is important that our field partners provide mechanisms to resolve complaints by their entrepreneurs, and as part of promoting the Smart Campaign amongst our field partners we will make that clear.*

We agree with the Smart Campaign that the principles outlined above are important for ensuring that entrepreneurs are adequately protected, and we hereby pledge to take action as outlined above in order to ensure that those who receive loans from Deki lenders are protected against the unfair, negative practices employed by some microfinance institutions in the past. Microfinance remains an important tool for the alleviation of poverty, and it is important that values like these remain at the heart of the microfinance sector if this potential is to be realised.