



Charity No: 84541 0547 RR0001

SOCADE.info

WHO ARE WE?

SOCADE is a non-governmental organization (NGO) that is non-partisan and non-denominational. This non-profit agency has set itself the task of fighting extreme poverty and reducing income disparities between men and women in developing countries.¹

WIDESPREAD POVERTY

According to the World Bank, 2.7 billion people live on less than two dollars a day.² This extreme poverty affects mostly women.

Lack of access to economic and financial resources is among the many causes of poverty.

In many developing countries, the poor have virtually no access to credit from financial institutions because they have nothing they can offer as collateral. Faced with this situation, they traditionally turn to such resources as family and friends to raise funds. Once these sources are depleted, the only choice remaining is for moneylenders to lend them enough to ensure minimal economic activity at an inflated rate of interest. A large part of the small income generated goes to reimbursing the loan. The little money that remains barely feeds the family. So it is impossible for these families to save, increase their economic activity or

invest in their children's education. For many families, this becomes a vicious cycle.

A TOOL TO COMBAT POVERTY

MICRO-CREDIT FINANCING

To break this vicious cycle of poverty, SOCADE has developed a micro-credit program that consists in lending small amounts of money to poor people so they can increase their economic activity. The general idea of this program is to grant loans, but in a spirit of community and solidarity. For example, the loan is granted to a woman on condition that she is part of a group of 5 people who undertake to help the borrower manage the loan and, above all, repay it if the borrower is unable to do so. Moreover, if the loan is not repaid, the group members will no longer be able to obtain a loan to finance their activities.

This type of *joint lending* spares poor people the constraint of collateral demanded by banks. In addition, it creates solidarity among those who form the group.

TARGET POPULATION

This micro-credit program is intended exclusively for women in developing countries. To qualify, women have to be living below the threshold of extreme poverty and be engaged in some form of economic activity.

YOUR CONTRIBUTION IS IMPORTANT

If you want to help reduce extreme poverty in developing countries, and do so in a sustainable manner, please send your donation by cheque or money order to SOCADE, at the following address:

109 Wright, Room 407
Gatineau (Quebec)
J8X 2G7

You can also donate with a credit card. SOCADE issues charitable tax receipts for gifts of \$15 or more, upon request

TO CONTACT US

Send your message to:
Services@socade.ca

Phone:
(819) 770-6222
Toll-Free Call:
1-877-770-6222

Fax:
(819) 770-4446

Address:
109 Wright, Room 407
Gatineau (Quebec)
J8X 2G7

1. SOCADE is incorporated under Part III of the *Quebec Companies Act (RSQ, chap. C-38, sect. 218)*.
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2. Source: The World Bank Group,
<http://www.developmentgoals.org/Poverty.htm>