

**School: Spring Ford High School**  
**Date: March 9, 2010**



**U.N. Organ: The General Assembly**

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U.N. Committee: World Bank Executive Directors

Topic: Microcredit Lending in the Developing World

Sponsor: The Dominican Republic

The General Assembly,

*Noting with approval* that ECOSOC made and successfully had a Year of Microcredit in 2005, in which the international community was made more aware of the microcredit industry and its benefits,

*Aware* that interest rates on microcredit loans can range anywhere from 0.5% (for the International Monetary Fund) to 45% (private banks),

*Bearing in mind* that repayment periods for loans from organizations like the Grameen Bank and the World Bank have smaller repayment periods and also have extremely high repayment rates,

*Reaffirming* that these high repayment numbers are with loans given out with no collateral,

1. Endorses the recommendation that interest rates for microcredit loans for large organizations be capped at 20%, and for private banks at 30%;
2. Authorizes the banks to have an international repayment period maximum of 18 years, with a minimum grace period of 5.5 years;
3. Expresses its hope that information on microcredit lending and its benefits will be more widely available to people in developing nations so that they can reap its profits and help the world move to ending poverty by 2015 as stated in the Millennium Goals.