



**DECLARATION OF SAN PEDRO SULA
REGARDING TECHNOLOGY**

WE, the participants of the first **KATALYSIS REGIONAL FORUM: *MICROFINANCE AND INFORMATION TECHNOLOGY***, Hereby consider:

- 1) That Microfinances' main objective is to help provide access of qualified microfinance services to the poor for the development of small and medium entrepreneurs.
- 2) That the KATALYSIS NETWORK and its members agree with this objective and have as their main goal to contribute to the social and economic development of the Central American region.
- 3) That despite the efforts made to achieve this objective, there still are a large percentage of small and medium potential business people without access to microfinance services, mostly those located in the rural sector.
- 4) That to provide coverage of this unsatisfied demand implies the design and implementation of a business model that can concentrate access to financial services, guaranteeing its sustainability through reductions in transaction costs, administrative and financial and the continual reinvestment of the portfolio surplus.
- 5) That said model must be oriented to efficiency, productivity and client satisfaction.
- 6) That an essential element to pursue the development of the model is the use and continual improvements of Communication and Information Technology (CIT) used by the MFI's.
- 7) That most of the organizations in the region have a limited CIT infrastructure, in some cases outdated and in other cases, inappropriate or non-existent to support the institutional strategies and goals, which becomes a constraint in the accomplishment of microfinance's fundamental objective.
- 8) That communications and information technologies are constantly evolving, offering emerging technological options that can simplify access to microfinance services.
- 9) That the implementation of these technologies is dependent on the organizational climate and culture that embraces the use of communication and information technology (CIT).

THEREBY:

- 1) Reaffirm our commitment, at the KATALYSIS NETWORK level and each and every (one) of the organizations, of the principal objective of facilitating access of fair financial services that promote economic growth of the small and medium businesses in Central America.
- 2) Recognize the strategic role that CIT plays in the strengthening and consolidation of the Microfinance sector, the achievement of the institutional objectives and the social and economic development of the most vulnerable sectors.
- 3) Recognize that CIT limitations of an organization can become a structural weakness, which drastically limits access to the services provided.
- 4) We commit ourselves to review and evaluate our CIT platforms in order to determine whether these support or oppose our strategic plans, both at the NETWORK level as well as each member organization level.
- 5) We commit ourselves, in the medium term, to the intensive use and improvement of CIT's in the implementation of our strategic plans, for which we will establish projects and immediate response plans in order to overcome our weaknesses in CIT applications.
- 6) We will make available the services and infrastructure of KATALYSIS to actively support with CIT development of its members, including advisory services in specialized CIT matters, make accessible the search for optimum and alternative CIT solutions, the management of resources, establish relations with public or private organizations, local or off-shore to develop strategic alliances that allow the implementation or renewal of CIT solutions.
- 7) Demand from our local governments the creation or improvement of programs aimed at developing, expanding or establishing rural communications infrastructure that will bring the cost reductions in CIT operations.
- 8) Promote the creation of a Forum and permanent virtual gateway to share and collaborate the advances in CIT of each network member, discuss the CIT emerging trends and possible technological solutions that can impact positively in the development of our objectives, reveal achievements and failures, among other subjects of interest to the KATALYSIS community.
- 9) Make of the ***COMMUNICATIONS AND INFORMATION TECHNOLOGY FORUM***, a learning medium for our continual education in the use of CIT's.

San Pedro Sula, Honduras
February 19, 2005