

## KEYNOTE SPEECH

### Abdul Hai Khan : Executive Vice Chairman Grameen Trust

Honorable Chairman of the Grameen Crédit Agricole Foundation and Chairman of the Grameen Group,  
Distinguished guests and scholars,  
Esteemed development practitioners,  
Valued partners of Grameen Trust,  
Ladies and gentlemen,

It is a profound honor and a personal privilege to address you today at this Grameen Family Gathering on the theme “The Grameen Legacy: Evolution and Impact of a Global Movement.” This gathering brings together not only institutions and individuals, but also a shared history, a shared philosophy, and a shared responsibility. The story of Grameen is not merely the story of a bank, nor even of a development model. It is the story of an idea—an idea that challenged conventional economic wisdom, redefined the meaning of finance, and restored dignity and opportunity to millions of people once considered “unbankable.”

#### Origins of the Grameen

Idea The Grameen movement was born in the mid-1970s in the villages of Bangladesh, at a time of deep poverty, famine, and structural exclusion. Rural communities, particularly women, were trapped in cycles of deprivation. Formal financial institutions did not reach them, not because they lacked ideas or determination, but because they lacked collateral, literacy, and social power.

In this context, Professor Muhammad Yunus initiated a simple yet revolutionary experiment in the village of Jobra. He asked a fundamental question: *Why should access to credit be a privilege rather than a human right?*

By extending small loans based purely on trust, he demonstrated that the poor were not only creditworthy, but disciplined, reliable, and entrepreneurial. Trust replaced collateral. Human potential replaced bureaucratic assumptions.

What began as a modest village experiment led, in 1983, to the formal establishment of **Grameen Bank**, transforming microcredit from a concept into an institution—and from an institution into a global movement.

#### Evolution of the Grameen Model

As Grameen Bank matured, it evolved beyond the provision of small loans. It developed into a comprehensive, people-centred development model grounded in innovation, discipline, and social values. Key features of this evolution included:

- **Group-based lending**, fostering mutual accountability and collective responsibility
- **A strong and deliberate focus on women’s empowerment**, recognising women as agents of change
- **Flexible and realistic repayment systems**, aligned with borrowers’ income cycles
- **Financial discipline combined with social commitment**, rather than profit maximisation

One of Grameen’s most distinctive contributions was the introduction of the Sixteen Decisions, which embedded social development goals—education, health, sanitation, family planning, environmental awareness, and human dignity—directly into financial practice.

Over time, the Grameen approach expanded into savings, housing loans, education loans, micro-enterprise financing, pension schemes, and new-enterprise loans. Credit was no longer an end in itself, but a catalyst for broader social transformation.

#### Global Replication and Adaptation

One of the most remarkable achievements of the Grameen movement has been its global replication.

From the late 1980s and early 1990s, thousands of practitioners, policymakers, and scholars from around the world came to Bangladesh to learn from the Grameen experience. Many sought not only to understand the model, but to adapt and replicate it in their own countries.

In response to this growing global demand, Nobel Laureate Professor Muhammad Yunus established **Grameen Trust**, with the explicit mandate to promote, support, and replicate the Grameen Bank approach internationally.

Today, Grameen-inspired models operate in **more than 175 countries** across Asia, Africa, Latin America, Europe, and North America. **Grameen Trust currently works with 155 partner organisations in 44 countries.** Indeed, it is now difficult to find a country where microcredit, in some form, does not exist.

In Bangladesh alone, more than **50 million families** receive financial and related services from microfinance institutions, NGOs, and banks, with studies indicating that microfinance has made a measurable contribution to national GDP.

While contexts differ, the core principles remain universal:

- Trust in the poor
- Inclusion over exclusion
- Empowerment over dependency
- A strong focus on rural and marginalized communities

From community development banks in Africa to social finance initiatives in Europe and North America, the Grameen philosophy has reshaped the global landscape of financial inclusion.

### Importance and Global Impact of Grameen Microcredit

Grameen microcredit stands as one of the most transformative innovations in development finance of the twentieth century. By extending small, collateral-free loans to the poorest segments of society—particularly rural women—it fundamentally altered how the world understands poverty, finance, and development.

#### Importance of Grameen Microcredit

The central importance of Grameen microcredit lies in its ability to provide financial inclusion to those long excluded from formal banking systems. Where the poor were once dismissed as “high risk,” Grameen demonstrated that appropriate design, trust, and accountability could unlock their potential.

Microcredit enables self-employment, entrepreneurship, and income generation at the grassroots level. It replaces dependency with dignity and charity with opportunity. Borrowers invest in agriculture, livestock, handicrafts, trade, and services—building sustainable livelihoods and economic resilience.

A defining feature of Grameen has been its prioritisation of women. This focus has led to enhanced decision-making power within households, improved education and health outcomes for children, and strengthened social status for women. Time and again, evidence has shown that investing in women generates lasting and intergenerational benefits.

Beyond finance, Grameen’s holistic approach integrates education, healthcare, sanitation, and housing, ensuring that economic progress is matched by social development.

#### Global Impact of Grameen Microcredit

The global impact of Grameen microcredit is both profound and enduring. It inspired the worldwide microfinance movement and reshaped development discourse by placing **financial inclusion** at the centre of poverty reduction strategies.

Microcredit became a recognised policy instrument supported by the World Bank, the United Nations, and regional development banks. The United Nations’ declaration of **2005 as the International Year of Microcredit** stands as a testament to this global recognition.

The Grameen model also influenced the emergence of **social business, ethical finance, and impact investing**, proving that institutions can be both financially sustainable and socially driven.

Its impact can be summarised across four dimensions:

- **Economic impact:** Millions of families increased income, built assets, and improved resilience
- **Social impact:** Women gained agency, voice, and leadership within communities
- **Institutional impact:** Microfinance became embedded in global development policy
- **Philosophical impact:** Poverty was recognised as a product of systemic exclusion, not personal failure

This global recognition culminated in **2006**, when Professor Muhammad Yunus and Grameen Bank were awarded the **Nobel Peace Prize**, affirming microcredit as a powerful instrument for peace, dignity, and social justice.

#### Grameen Legacy and Institutional Expansion

The Grameen legacy extends far beyond Grameen Bank itself. Through continuous engagement with borrowers, Professor Yunus recognised that poverty is multidimensional— not merely a lack of capital, but also a lack of access to energy, healthcare, education, technology, and markets.

To address these barriers, he established a range of independent, not-for-profit social business institutions, each with a specific mission, professional management, and financial sustainability. These organisations operate under the principle of no loss, no dividend—only social gain, aligned with the vision of the Three Zeros.

Notable examples include:

- Grameen Shakti – renewable energy and solar access
- Grameen Telecom – communication and digital inclusion
- Grameen Kalyan – affordable primary healthcare
- Grameen Fisheries & Livestock Foundation – nutrition and rural livelihoods
- Grameen Uddog and Grameen Knitwear – rural employment and enterprise
- Grameen Trust – global replication of the Grameen model
- Grameen Telecom Trust – development of social businesses
- Grameen Healthcare Services Ltd. – eye care for underserved populations
- Grameen Shikkha – education, scholarships, and vocational training
- Grameen Health Tech Ltd. – digital healthcare solutions
- Grameen Distribution Ltd. – affordable technology and youth employment

Each institution serves as a social business laboratory, testing solutions that can scale sustainably and inspire replication.

### Contemporary Relevance and Future Directions

Today, as the world confronts inequality, climate change, displacement, and digital divides, the Grameen legacy remains profoundly relevant. The future of the Grameen movement lies in:

- Digital financial inclusion
- Youth and green entrepreneurship
- Scaling social business models
- Ethical leadership in development finance
- Affordable, quality education and healthcare

Current initiatives include plans to establish a **Grameen Three Zero University** and a **Social Science Research Hospital and Technology Institute**, advancing outcome-based education and accessible healthcare.

### Conclusion

Ladies and gentlemen,

The Grameen legacy is not confined to Bangladesh, to microcredit, or to any single institution. It is a global movement rooted in human dignity and collective responsibility. It reminds us that when people are trusted, empowered, and supported, they can transform their own lives— and the world around them.

The true strength of Grameen has never resided in money alone. Its power lies in belief: belief in people, belief in justice, and belief in a world where poverty is not inevitable, but solvable.

Guided by the vision of **Three Zeros—zero poverty, zero unemployment, and zero net carbon emissions**—the Grameen family invites the world to rethink how economies are designed and whom they serve.

To realise this vision, we must establish **Social Business Funds** at local, national, and global levels. I call upon governments, corporations, civil society, and donors to join this movement— not only with capital, but with confidence, creativity, and commitment.

Together, let us turn belief into action, vision into reality, and hope into a better world of Three Zeros for all.

**Thank you.**