



## To Her Credit: Otero Receives 2007 Notre Dame Prize

**MARÍA OTERO**, president and CEO of ACCION International, will be awarded the 2007 Notre Dame Prize for Distinguished Public Service in Latin America at a ceremony at the University of Notre Dame on Nov. 19, 2007. As laureate, she will receive a \$15,000 cash award, with a matching amount donated to a charitable organization of her choice.

Supported by The Coca-Cola Foundation, the Notre Dame Prize for Distinguished Public Service in Latin America recognizes the efforts of visionary leaders, civic activists, intellectuals, and public servants to enhance the region's welfare.

ACCION is a private, nonprofit organization with the mission of giving people the financial tools they need—microenterprise loans, business training, and other financial services—to work their way out of poverty. As president and CEO, Otero directs the nonprofit's global operations.



Under her leadership, the organization has grown exponentially, from 18 partners serving 463,293 clients in 2000, to 31 partners serving 2.46 million clients as of December 2006. During that period, ACCION's active loan portfolio grew from \$274 million to \$2 billion.

"Maria has dedicated her professional career to advocating for the poor—especially women—throughout Latin America, and to fostering economic opportunity for

them," explained **TARA C. KENNEY**, managing director of Deutsche Asset Management, who nominated Otero for the Prize and is a longtime Kellogg Institute board member as well as treasurer of ACCION.

"I have had the privilege of working with Maria and have been duly impressed by her vision, expertise, leadership, and commitment to public service over a span of 30 years.

"She was chosen for her relentless drive to correct social imbalances."

### Realizing Her Dream

Born and raised in Bolivia as one of nine children, Otero now resides in Washington, DC, with her husband and three children. Her father, Rene Otero Calderon attended law school at Notre Dame in the 1940's. After earning a BA from the University of Maryland and an MA from Johns Hopkins University's School for Advanced International Studies, she held a variety of positions with NGOs involved with development in Latin America, Africa, and Asia.

"After working around the world, I decided I wanted to focus on helping women empower themselves through work so they can be leaders in their own lives," wrote Otero in a 2005 *Newsweek* profile.

"I started looking for a group that did that and found ACCION International, which puts small amounts of capital in the hands of poor people with businesses. Most are women.

"ACCION allowed me to realize my dream."

Otero began her ACCION career in Honduras in 1985 as a technical advisor to a local microfinance institution. By 1989, she was named director of ACCION's Washington, DC, office, then became executive vice president in 1992. In 2000, she was promoted to her current position of president and CEO.

In a 2005 *Newsweek* special report, "How Women Lead," Otero was named one of the 20 most influential women in the United States. In 2000, she was awarded *Hispanic* magazine's "Latina Excellence Award." *Hispanic Business* magazine, *Cookie* magazine, and the National Conference for College Women Student Leaders have also recognized Otero with awards for leadership.

In addition to serving on the boards of directors of three regulated microfinance institutions in Latin America, she sits on the boards of the Calvert Foundation, the United States Institute of Peace, and Bangladesh's BRAC Holding, possibly the largest NGO in the world. She is also coordinator of the Council of Microfinance Equity Funds.

She has served as the chair of the MicroFinance Network, a global association of 30 leading microfinance institutions, chaired the board of Bread for the World, and was appointed by President Clinton to serve as chair of the Board of Directors of the Inter-American Foundation. She has also served as an advisor to the World Bank's Consultative Group to Assist the Poor (CGAP).

Otero has published extensively on the subject of microfinance, including coediting *The New World of Microenterprise Finance: Building Healthy Financial Institutions for the Poor* (Kumarian Press, 1994).

### Pioneering Approach

Microfinance generally entails making loans to very small businesses whose owners are below the poverty line and have no collateral. ACCION International's partner microfinance institutions provide loans as low as \$100 to poor entrepreneurs in 23 countries in Latin America, the Caribbean, Asia, and sub-Saharan Africa, and in the United States.

In the last decade, ACCION partners have disbursed more than 17.9 million loans totaling more than \$12.3 billion; 97 percent of the loans have been repaid. As of this year, ACCION has nearly \$2 billion on the streets of Latin America, serving over 2 million borrowers—65 percent of whom are women—with loans averaging \$800 each.

Selected for the fourth consecutive year for its pioneering approaches to poverty alleviation, ACCION was among 43 organizations awarded the 2006 Social Capitalist Award by *FastCompany* magazine. ACCION has also been awarded Charity Navigator's highest rating—four stars—for efficiency and sound fiscal management.

Microfinance traces its roots to the 1970s and the work of Bangladesh's Grameen Bank and ACCION. Grameen and its founder, Dr. Muhammad Yunus, were jointly awarded the Nobel Peace Prize in 2006, "for their efforts to create economic and social development."

ACCION started as a student-formed organization in 1963 and issued its first microloan in 1973 in Recife, Brazil. Over time ACCION broadened its microcredit efforts and in 1992 helped form BancoSol in Bolivia, the first commercial bank dedicated solely to microenterprise.

"Microfinance banks can be profitable, with rates of return on assets that vary between 3.5 to 5 percent and returns on equity of over 20 percent," said Otero in an interview with *LatinFinance* magazine in March 2006.

"Lending to the poor is both sustainable and profitable. It enables the poor to create wealth."