

PRESS RELEASE – April 2011

**3 new Microfinance Investment Vehicles obtain the
LuxFLAG Microfinance Label**

LuxFLAG is pleased to announce that 3 new MIVs have been granted the LuxFLAG Microfinance Label: the Luxembourg Microfinance and Development Fund; Regional MSME Fund for Sub Saharan Africa and Rural Impulse Fund II.

The number of MIVs labelled by LuxFLAG has doubled since the beginning of 2010 from 8 MIVs to 16 MIVs, and they now represent around USD 2.65 billion in Assets Under Management. This confirms the growing interest in the LuxFLAG Microfinance Label and reinforces its importance in terms of providing greater transparency to investors. LuxFLAG expects further MIVs to apply for the Microfinance Label by the end of 2011.

List of MIVs labelled in 2010-11 classified by legal structure:

UCI Part II	SIF	SICAR
Dexia Micro-Credit Fund	Rural Impulse Fund SA SICAV-SIF	Advans SA
Dual Return – Vision Microfinance	KCD Mikrofinanzfonds (SIF) - I "Global"	Finethic Microfinance SCA
responsAbility Global Microfinance Fund	KCD Mikrofinanzfonds (SIF) - II "Latin America"	
responsAbility SICAV (Lux) – Microfinance Leaders	European Fund for Southeast Europe (EFSE), SICAV-SIF	
responsAbility SICAV (Lux) – Mikrofinanz-Fonds	Regional MSME Investment Fund for Sub-Saharan Africa SA SICAV-SIF (<i>New Label</i>)	
Wallberg Global Microfinance Fund	Rural Impulse Fund II SA SICAV-SIF (<i>New Label</i>)	
Triodos SICAV II – Triodos Microfinance Fund		
Blue Orchard Fund - Microfinance Fund for US investors		
Luxembourg Microfinance and Development Fund SICAV (<i>New Label</i>)		

Details of the sixteen labelled MIVs are available on LuxFLAG's website: www.luxflag.org. The website also contains details of the eligibility criteria and a form that can be downloaded by entities wishing to apply for the Microfinance Label.

Eligible MIVs may be domiciled in any jurisdiction that has supervision of the MIV or its fund manager equivalent to supervision in EU countries.

The purpose of the Microfinance Label is to promote the raising of capital in microfinance by reassuring investors that the MIV really invests directly or indirectly in microfinance. It is not a guarantee of performance nor does it constitute a recommendation to invest.

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Editorial notes

The Luxembourg Fund Labelling Agency is an independent entity whose Charter Members represent the private sector, the NGO sector and the State of Luxembourg. The Charter Members are the:

- State of the Grand Duchy of Luxembourg
- European Investment Fund (EIF - member of the European Investment Bank Group)
- Luxembourg Bankers' Association (ABBL)
- Appui au Développement Autonome (ADA)
- Association of the Luxembourg Fund Industry (ALFI)
- Financial Technology Transfer Agency (ATTF)
- Luxembourg Stock Exchange
- Luxembourg For Finance (LFF)

Funds granted a LuxFLAG Label in 2010-11

The **Advans SA SICAR** is a Venture Capital Investment Company headquartered in Luxembourg launched in December 2005. With a share capital of EUR 40.1 million, Advans' mission is to build a network of microfinance institutions in developing and emerging countries to cater to the financial needs of micro, small, and medium sized enterprises, which have limited or no access to formal banking services.

The **BlueOrchard Fund - Microfinance Fund for US investors** was established in 2009 in order to provide U.S. investors with an opportunity to invest in the Dexia Micro-Credit Fund. It displays the same characteristics as those of the Dexia Micro-Credit Fund.

The **Dexia Micro-Credit Fund** is the oldest microfinance fund in Luxembourg, with a track record going back to 1998. It is promoted by Dexia Banque International in Luxembourg (BIL) with RBC-Dexia as custodian of the fund and Dexia Asset Management as manager of the fund for liquidities. The microfinance portfolio manager is BlueOrchard, a Geneva based investment manager specialising in microfinance.

The **Dual Return Fund– Vision Microfinance** is a Luxembourg part II SICAV launched on 25th April 2006, promoted by the German Bank im Bistum Essen eG (Bank in the diocese of Essen), managed by the Absolute Portfolio Management GmbH, based in Vienna, and advised by Geneva based Symbiotics S.A. UBS Funds Services Luxembourg S.A. acts as fund administrator and UBS (Luxembourg) S.A. as custodian to the fund. Dual Return Fund– Vision Microfinance promotes a sustainable delivery of financial services to the working poor. The Vision Microfinance helps people in developing countries to escape from poverty. So far over 200 m USD have been distributed in the form of 206 loans to 88 different MFIs in 28 countries.

The **European Fund for Southeast Europe**, known as EFSE, was launched on 15th December 2005 and represents the first public-private partnership of its kind. Led by KfW, EFSE is among the three largest microfinance investment vehicles in the world. The fund manager is Oppenheim Asset Management Services in Luxembourg and fund advisor is Finance in Motion, based in Frankfurt am Main. Citibank Luxembourg acts as fund administrator and custodian.

The **Finethic Microfinance S.C.A. SICAR**'s purpose is to invest directly or indirectly in a risk capital investment company within the meaning of the Article 1 of the SICAR Luxembourg law of 15th June 2004, in the field of Microfinance. More precisely, the Company's investment objective is to finance, directly or by investing in investment vehicles active in the field of Microfinance, unlisted Microfinance Institutions located worldwide, in particular in emerging countries and developing countries.

The **KCD-Microfinance Fund I "Global" and II "Latin America"** is a special fund with an umbrella-structure managed by the German BANK IM BISTUM ESSEN eG. The Cooperative Bank invests worldwide directly and indirectly in microfinance institutions and has build up its own management-know-how in this field. The Sub-Fund I denominates in Euro, the Sub-Fund II in U.S. Dollars. The funds are for institutional investors, who want a long-term commitment. The funds invest in loans, subordinated loans and equity investments in U.S. Dollars, Euros and in some cases in local currency.

The **Luxembourg Microfinance and Development Fund (LMDF) is an open ended SICAV (part II)** was launched in 2009. The objective of the Fund is to support smaller microfinance institutions (tier 2 and tier 3 MFIs) in Africa, Latin America and Asia through a range of adapted financial instruments including debt, equity and guarantees. LMDF is open to public, institutional and retail investors in Luxembourg and has a total subscribed and committed capital of € 18 million. The Fund aims at balancing financial and social objectives by targeting a financial return in line with inflation. LMDF is advised by ADA which is an international development NGO active in microfinance. Banque et Caisse d'Epargne de l'Etat (Luxembourg) is the custodian of the fund.

The **Regional MSME Investment Fund for Sub-Saharan Africa (REGMIFA)** was launched in May 2010. REGMIFA is a Luxemburg-based investment fund which seeks to foster economic development and prosperity in Sub-Saharan Africa essentially through the provision of local currency medium to long-term debt financing to financial institutions serving micro, small and medium sized enterprises. Complementary to the fund's investment activities, a dedicated Technical Assistance Facility focuses on technical support to client institutions. Initiated by the G8 Summit in Heiligendamm, REGMIFA is a Public-Private Partnership that combines funds from public and private investors, including KfW Entwicklungsbank (also acting as structuring agent), the German Federal Ministry for Economic Cooperation and Development (BMZ), the Spanish Ministry of Foreign Affairs (MAEC), the Spanish Agency for International Cooperation for Development (AECID), the Spanish Development Bank (ICO), the International Finance Company (IFC), the Belgian Investment Company for Developing Countries (BIO), Oesterreichische Entwicklungsbank (OeEB), the European Investment Bank (EIB), the French Development Agency (AFD), the French Investment and Promotions Company for Economic

Cooperation (PROPARCO), the Norwegian Microfinance Initiative (NMI) and recently the Netherlands Development Finance Company (FMO). The Fund is managed by Symbiotics Asset Management SA, a specialized asset management company based in Geneva.

The **responsAbility Global Microfinance Fund** is managed by Credit Suisse Microfinance Fund Management Company, Luxembourg, and the investment advisor is responsAbility Social Investments AG, one of the world's leading asset managers for social investments in developing countries and emerging markets. The fund is administrated by Credit Suisse Asset Management Fund Service (Luxembourg) S.A. Credit Suisse (Luxembourg) S.A. is the custodian of the fund. The fund invests mainly in debt and to a limited extent in equity and started its operations on 25th November 2003.

The **responsAbility SICAV (Lux)** is an umbrella structure and consists of the two sub-funds **responsAbility SICAV (Lux) Mikrofinanz-Fonds** and **responsAbility SICAV (Lux) Microfinance Leaders**. It is a self-managed investment company administrated by Credit Suisse Asset Management Fund Service (Luxembourg) S.A. The investment advisor is responsAbility Social Investments AG, one of the world's leading asset managers for social investments in developing countries and emerging markets. Credit Suisse (Luxembourg) S.A. is the custodian of the fund.

The **Rural Impulse Fund SA, SICAV-SIF** is a microfinance investment fund that contributes to the alleviation of poverty in rural areas in developing countries. The Fund leads the way in closing the gap in the supply of rural microfinance by extending commercial funding to those MFIs, which are successful in providing financial services to rural poor, while being financially sustainable. The investors include both development finance institutions (the European Investment Bank, FMO from the Netherlands, the International Finance Corporation (IFC), and BIO from Belgium) as well as a group of private investors. RIF has been developed and promoted by Incofin, which also acts as fund advisor to the Fund.

The **Rural Impulse Fund II SA SICAV-SIF** is a closed end fund, launched in May 2010 as a follow up fund of Rural Impulse Fund. The objective of the Fund is to invest into sustainable, commercially viable MFIs providing financial services to the rural poor. By doing so, the Fund wants to strengthen the financial structure and capacity of rural MFIs and improve their outreach and impact. The investors include both development finance institutions (the European Investment Bank, KfW, FMO, the International Finance Corporation (IFC), NMI as well as a group of private investors. RIF II has been developed and promoted by Incofin Investment Management, which also acts as a fund advisor to the Fund.

The **Triodos SICAV II - Triodos Microfinance Fund** aims to increase access to financial services for the working poor in developing countries. The Fund was launched in March 2009 and is open to institutional investors, private banking clients and high net worth individuals across Europe. Triodos Microfinance Fund is managed by Triodos Investment Management, a leading investor in the microfinance sector since making its first investments in MFIs in 1994. As an investor in microfinance, Triodos Investment Management wants to contribute to the development of a sustainable financial sector in developing countries that is based on fair pricing, transparency, poverty alleviation and care for the earth.

The **Wallberg Global Microfinance Fund** was launched in 2008. It gives the investor the possibility to gain exposure to the Global Microfinance Sector. The fund takes a wide view on Microfinance. Its principal target is the democratization of the access to working capital for individuals and companies. All types of businesses, from micro over small and medium sized entities get a fair chance for growth.



Among others, housing, energy and agribusiness are favoured investment topics. “Wallberg Global Microfinance Fund” combines return on investment with social responsibility.