

PRESS RELEASE

June 2009

LuxFLAG renews MIVs Microfinance Label

The Luxembourg Fund Labeling Agency (LuxFLAG), created in July 2006, has renewed the labels delivered in 2008 to six microfinance investment vehicles (MIVs) representing fifteen sub-funds.

The first Labels were granted on 21 January 2007 to three MIVs domiciled in Luxembourg and managed and distributed by international institutions. Three further MIVs have obtained the Label in 2008. All these MIVs have successfully renewed their application both in 2008 and 2009.

- Dexia Micro-Credit Fund
- European Fund for Southeast Europe (EFSE)
- responsAbility Global Microfinance Fund
- responsAbility SICAV (Lux) – Microfinance Leaders
- responsAbility SICAV (Lux) – Mikrofinanz-Fonds
- Dual Return – Vision Microfinance
- Rural Impulse Fund SA

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

In addition to the above funds, a pipeline of new applicants is growing in 2009 as new MIVs are created and take the necessary time to invest their new capital in qualifying microfinance investments. LuxFLAG will be actively approaching MIVs over the months to come and encouraging fund managers to make contact with the Agency. Eligible MIVs may be domiciled in any jurisdiction that has supervision equivalent to that which is available in EU countries.

The purpose of the Label is to promote the raising of capital in microfinance by reassuring investors that the MIV really invests 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 Labeling 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

Funds granted a LuxFLAG Label in 2009

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 **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 ConCap Connective Capital, based in Frankfurt am Main. Citibank Luxembourg acts as fund administrator and custodian.

The **responsAbility Global Microfinance Fund** is managed by the Credit Suisse Microfinance Fund Management Company, Luxembourg, and the investment advisor is responsAbility Social Investments AG, a Zürich based company, specialised in social investments in developing countries and emerging markets. The fund is administrated by the Credit Suisse Asset Management Fund Service (Luxembourg) S.A. Credit Suisse (Luxembourg) SA is 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 **Dual Return Fund- Vision Microfinance** is a Luxembourg part II SICAV launched on 25th April 2006, promoted by the German PEH Wertpapier AG, 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.



The **responsAbility SICAV** (Lux) is an umbrella structure and consists of the two subfunds responsAbility Mikrofinanz-Fonds and responsAbility Microfinance Leaders Fund. It is a self-managed investment company administrated by the Credit Suisse Asset Management Fund Service (Luxembourg) S.A. The investment advisor is responsAbility Social Investments AG, Switzerland. Credit Suisse (Luxembourg) S.A. is its custodian. The responsAbility SICAV is the most recent MIV registered on 15th November 2006 on the official list of investment funds.

The **Rural Impulse Fund SA, SICAV-FIS (RIF)** 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 principal eligibility criteria

In order to obtain the Luxflag Microfinance Label, the investment vehicle must meet a number of criteria, the principal of which are that it must:

- be subject to supervision by a national regulator;
- have a microfinance portfolio corresponding to at least 50% of total assets;
- have at least 25% of its microfinance portfolio invested in MFIs rated by a microfinance rating agency recognised by Luxflag.

The Luxflag Label is intended for MIVs which have a commercial objective; the Label is currently not granted to donor entities.