



PRESS RELEASE

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Luxembourg pledges for sustainable finance, strengthening support to LuxFLAG at European level

On January 24th, the Minister of Finance, Pierre Gramegna, the Minister for the Environment, Climate and Sustainable Development, Carole Dieschbourg, and the Minister for Development Cooperation and Humanitarian Affairs, Paulette Lenert, have signed a new multiannual convention between the Luxembourg Government and LuxFLAG, the labelling agency for sustainable investment products.

With this new convention, the Luxembourg Government strengthens its support and trust towards LuxFLAG and its pledge for sustainable finance in general. The convention expresses Luxembourg's willingness to reinforce its commitment to sustainable finance at European level and the fundamental role that LuxFLAG is meant to play in enhancing transparency and investor confidence in the sustainable investment market.

The Ministry of Finance, the Ministry for the Environment, Climate and Sustainable Development and the Ministry of Foreign and European Affairs, Directorate for Development Cooperation and Humanitarian Affairs, commit to an annual subsidy to LuxFLAG for a minimum period of three years, until December 31st, 2021.

Pierre Gramegna, Minister of Finance, says: *"Through the close collaboration between the private sector and the public sector within LuxFLAG, Luxembourg has established itself as a European pioneer in the labelling domain of sustainable finance. This collaboration will be substantially strengthened with the financial support granted in the context of this new convention. In addition, it will further consolidate Luxembourg's leading position in sustainable finance."*

Carole Dieschbourg, the Minister for the Environment, Climate and Sustainable Development, underlines: *"Sustainable finance will help Luxembourg fulfill its role with regards to sustainable development through the implementation of the Paris Agreement and 2030 Agenda. Transparency is a determining factor in order to accelerate the reorientation of capital flows towards sustainable resource management and renewable energy solutions."*

Paulette Lenert, the Minister for Development Cooperation and Humanitarian Affairs, says: *"LuxFLAG is a quality guarantor for impact investments done through Luxembourg. The capital flows of the inclusive finance sector represent a considerable contribution of our country towards the advancement of the UN Sustainable Development Goals. Without this funding and the fulfillment of LuxFLAG's criteria, the Microfinance Institutions would have much more risks and less resources."*



Thomas Seale, Chairman of LuxFLAG, highlights: *“LuxFLAG is expecting a strong trend for the sustainable finance market. This agreement will enable LuxFLAG to step up its European position as a key labelling agency.”*

Mario Mantrisi, General Manager of LuxFLAG, concludes: *“We are very proud and grateful that the Luxemburg Government continues to put its trust in LuxFLAG, materialized by this new convention. With the rapid development of the sector, the government support will help us further expand our platform which since 2006 significantly contributes to the sustainability and attractiveness of our financial center.”*

The government subsidy will help LuxFLAG achieve its growth objectives, implement the European labelling strategy and will allow the Agency to pursue adequate investments to maintain its future quality.



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