

5th European Microfinance Award

Microfinance and the Environment

13 November 2014

**Address by Michel MAQUIL**

**Chairman of InFiNe - Luxembourg Inclusive Finance network**

Your Royal Highness,

Mr Romain Schneider, Minister for Cooperation

Mr Camille Gira, Secretary of State

Distinguished Excellencies

President of the European Investment Bank

Member of the Parliament

Ladies and Gentlemen

Dear friends from the European Microfinance week

As Chairman of Luxembourg Inclusive Finance Network - InFiNe I am very pleased to welcome you all for this 5th Microfinance Award Ceremony. InFiNe has been created only in March this year by 19 Institutions all active in domains which are linked to inclusive finance. It is an initiative which came out of the Luxembourg Microfinance Round Table which had for ten years brought together the different actors in this field. The Luxembourg Ministry of Foreign Affairs has in many ways initiated and supported this evolution.

Inclusive finance or maybe better financial inclusion is one of the tools used to help people worldwide to get out of poverty. At the level of InFiNe we have defined financial inclusion as a way to allow most fragile persons in our society

to get access to responsible financial services and in so doing to contribute to eradicate poverty.

This is an approach based on the assumption that if certain conditions are met an individual is able to develop his personal skills in such a way to create an economically viable activity and thus come into a situation where he can care for himself and his family in a sustainable manner.

The targeted persons need to get a basic introduction in the workings of financial services as well as in the basic principles for setting up and running independent business activities. Furthermore these persons have to be offered a certain number of specifically designed financial services if possible with the use of state of the art IT and telecommunication facilities.

Activities and products linked to financial inclusion need to be strictly regulated in order to achieve a fine balance between a commercial finality and the social objective in particular to guarantee the sustainability of the model.

Such an ambitious goal can only be achieved if appropriate financial vehicles are set up in order to collect money in developed countries and channel it towards those institutions that are locally involved in providing these financial services.

And finally there is a clear need for systematic monitoring of the activities linked to inclusive finance and to constantly adapt them to the needs of the populations concerned. This should also foster information to the public at large through the media but also thanks to events like this.

InFiNe and its members are pursuing activities which all fall under inclusive finance and through their employees, their members and their correspondents they collectively represent an exceptional amount of knowledge and know-how. If these are combined they can represent a strong force to help in the development of inclusive finance.

The Secretary-General of the United Nations Ban Ki-moon has pointed out that Inclusive finance has a key role to play in propelling efforts to reach the very ambitious Millennium Development Goals (MDGs).

It is no surprise that the G20 has put financial inclusion in the heart of its concerted action to improve the livelihood of the poor and to furthermore support the millions of micro, small and medium sized enterprises worldwide. To this extent the G20 has set up its Financial Inclusion Action Plan as well as the Global Partnership for Financial Inclusion.

Progress in the realization of this ambitious plan is monitored and adapted at each G20 Summit. Beyond the G20 countries, non G20 countries are invited to participate in the different working groups and to contribute with their specific knowledge and expertise to the improvement of this plan as well as to its realization. Countries like Luxembourg with such an exceptional experience in financial services and in inclusive finance have to be an active participant in these efforts by the world community.

Besides this G20 collaboration there is also a need for intergovernmental dialogue and in this context we are very thankful to the Luxembourg Ministry of Foreign Affairs for its broad dialogue with officials from those countries where inclusive finance is deployed. The presence of ambassadors from so many countries here tonight is proof of this dialogue.

I take this opportunity to thank the European Investment Bank for its continuous support and also for hosting us tonight.

Your Royal Highness

Your presence here tonight underlines your commitment to inclusive finance and it encourages all those active in this field to pursue and even intensify their action. I am convinced that it will also encourage other talented people be they still active or even those who have retired, to join these efforts and bring in their talent and their expertise. In the name of all the people involved in inclusive finance in Luxembourg and abroad I would like to express to you our deepest gratitude

Minister Schneider

Secretary of State

Distinguished Excellencies

President of the European Investment Bank

Member of the Parliament

Ladies and gentlemen

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Before handing over to the moderator I will finish by quoting Benjamin Franklin who once said: "I am for doing good to the poor, but I differ in opinion about the means. I think the best way of doing good to the poor is not making them easy in poverty, but by leading (.....) them out of it."

I thank you for your attention and I wish you a pleasant evening