



InFiNe

*Inclusive Finance Network
Luxembourg*

2021

Annual Report

About InFiNe.lu

Inclusive Finance Network Luxembourg Asbl (InFiNe.lu) is the national network for inclusive, sustainable and social financing, bringing together public, private and civil society actors based in the Grand Duchy of Luxembourg.

Our vision

InFiNe.lu promotes a society with universal access to quality and affordable financial services.

Our mission

Capitalising on the Grand Duchy's leading position in responsible finance and development sectors, InFiNe.lu was created in March 2014 to further stimulate financial inclusion as a key to poverty reduction and empowerment of low-income groups.

The unique configuration of InFiNe.lu is to bring together key actors from the public, private and civil society sectors to leverage the considerable knowledge available in Luxembourg to foster the deployment of inclusive finance.

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We gratefully acknowledge the support of the Directorate for Development Cooperation and Humanitarian Affairs of the Luxembourg Ministry of Foreign and European Affairs

A message from the Board Chair

Not surprisingly, most people around the world in 2021 were concerned with the health and financial risks associated with Covid-19. The pandemic has had a profound impact on microfinance institutions (MFIs) and their clients, and access to inclusive finance - whether insurance to cover healthcare costs or loans to help businesses through lock-down - became more important than ever. InFiNe.lu and its members can be rightly proud of their role in helping vulnerable individuals, families and businesses through the crisis.

The pandemic highlighted as never before the failures of “business as usual” and the need for sustainable inclusive finance. Hundreds of millions of households and small-scale business lost income or saw revenues plummet, and the World Bank estimates that up to 115 million people have fallen back into poverty during the crisis. As we enter the post-Covid era, with just eight years to achieve the Sustainable Development Goals (SDGs), attention must turn to “building back better.”

Inclusive financial services have to be provided responsibly and sustainably in a well regulated environment if they are to be an enabler of the SDGs. Financial inclusion goes far beyond basic products and services - it is a game-changer for accessing education, healthcare and housing. Although the SDGs do not specifically mention financial inclusion, it is hard to see how all of them will be achieved without it - but we need to see greater progress in green inclusive finance, digitalisation, and consumer protection.

The combination of financial exclusion and climate change is a significant threat to achieving the SDGs. Affordable financial products and services help climate-vulnerable communities build resilience and mitigate losses. To date, most of the focus has been on scaling up global green finance through capital markets and large-scale project finance. While this remains important, greater priority must be given to inclusive insurance, loans and savings for low-income individuals and small businesses, given that they bear the brunt of climate change.

Scaling up means digitalisation. While MFIs, village savings and loan schemes and other face-to-face providers remain important, the pandemic has accelerated the growth of digital tools and platforms to reach currently financially excluded and underserved populations, and this trend will continue. According to one recent estimate, the digitalisation of inclusive finance could add US\$3.7 trillion to the Gross Domestic Product (GDP) of emerging economies within a decade.

However, consumer protection must not be sacrificed in the rush to digital. InFiNe.lu will continue to advocate for financial education, as the absence of financial or digital skills may render products irrelevant at best and harmful at worst. Not everyone has online or mobile access, and in some emerging economies, women in particular are excluded. Along with our members and partners, we will continue to promote effective legal and regulatory frameworks to protect low-income consumers.

InFiNe.lu's position at the heart of Luxembourg's inclusive finance ecosystem means we are uniquely positioned to lead and influence. Despite travel restrictions and lock-downs, 2021 saw us deliver a full programme of work, and I am confident that our global reach will continue to grow in the post-pandemic world.

Michel Maquil

Chair of the InFiNe.lu Board of Directors

2021

THE YEAR AT A GLANCE

ENGAGEMENT & DIALOGUE

MEMBER WORKSHOPS

- Building cybersecurity resilience in low-income countries
- Infine.lu new multi-annual plan
- Inclusive green finance: Challenges & opportunities
- Inclusive savings: Where and how you least expect it
- The client protection pathway



OUR MEMBERS

2 new members

(Care Luxembourg & HI Luxembourg)

36 members

in total



ANNUAL MEMBER SURVEY

First ever satisfaction survey

85% satisfied or very satisfied

MEMBERSHIP OF INTERNATIONAL INCLUSIVE FINANCE PLATFORMS

- Social Performance Task Force (SPTF)
- European Microfinance Platform (e-MFP)



ADVOCACY & INFLUENCING



MAPPING THE LUXEMBOURG INCLUSIVE FINANCE ECOSYSTEM

25 years' experience

236 projects supported worldwide

56 public, private and NGO stakeholders



"DID YOU KNOW?" VIDEOS

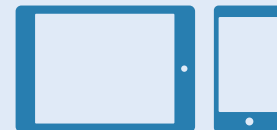


- Fondation de Luxembourg: Philanthropy & financial inclusion
- The LHoFT Foundation: Financial technology to advance financial inclusion
- ADA: African Microfinance Week
- SPTF: Social performance and social taxonomy

NEWS & SOCIAL MEDIA

4000+ followers

on LinkedIn, Twitter, YouTube & Facebook



76% of posts promote members' news

67% of articles on InFiNe.lu refer to members

5 RTL Radio Carte

Blanche podcasts

by Chair Michel Maquil

19 videos created and shared to InFiNe.lu YouTube channel

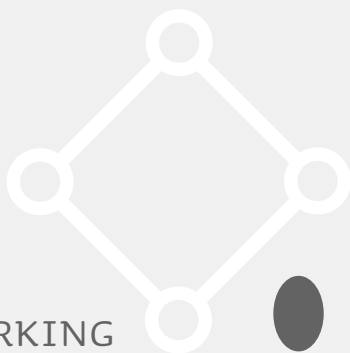
96 publications on InFiNe.lu resources page

215 articles published on InFiNe.lu



NEWSLETTERS

22 member and non-member versions published in English and French



NETWORKING

CONFERENCES AND EVENTS

- **12 events** involving InFiNe
- Sponsor and organiser of a session on fintech partnership at European Microfinance Week 2021
- Co-organiser of Midi de la Microfinance (>800 participants)
- Mentor at the Digital for Financial Inclusion online hackathon
- Participant at 2021 Luxembourg Cooperation Conference
- Selection committee member, speaker, mentor and media coverage for CATAPULT: Inclusion Africa
- Participant at 2021 Impact Finance Barometer launch
- Sponsor, media partner and stand host at African Microfinance Week 2021
- Media partner of the Farad Finance Forum 2021



EUROPEAN MICROFINANCE AWARD 2021

- **Theme: Inclusive Finance Health Care**
- Physical and virtual hybrid award ceremony
- In the presence of HRH the Grand Duchess of Luxembourg
- **43 entries from 32 countries**
- 10 semi-finalists
- Winner: Fonkoze (Haiti)
- 2 runners-up: CRECER IFD (Bolivia) and Dreamlopmments Ltd. (Thailand)



CAPACITY BUILDING

KNOWLEDGE SHARING

- Deloitte Luxembourg: Inclusive finance and responsible investment
- Training on new anti-money laundering and anti-terrorism financing
- European Financial Planning Association Luxembourg: Beyond microfinance: Inclusive finance and responsible investment
- **>70% of participants satisfied or very satisfied**



SCHOLARSHIP PROGRAMME

4 scholarships

awarded up to €4,000

Programmes at

- Frankfurt School of Finance & Management
- Saïd Business School, University of Oxford
- Boulder Institute of Microfinance



Growing our network, extending our influence

With another year of lockdowns and restricted travel, social media, webinars and virtual events remained important for connecting with our members, partners and other stakeholders. While online engagement can never fully replace face-to-face networking, hybrid events such as the European Microfinance Award allow both virtual and in-person participation, and a potentially much wider audience (read a full report on the Award on page 7).

Advocacy, networking and influencing are in our DNA. In 2021 we engaged certified B-Corp consultants PatteBlanche to help drive communications through a multi-year strategic communication plan, enabling us to align coherent and consistent messaging with our multi-annual strategic plan.

Our online and digital communications to promote both InFiNe.lu and its members took a significant step forward with the launch of the Mapping of the Luxembourg Inclusive Finance Ecosystem. For the first time, users can take an interactive journey through our members' world-wide programmes and learn about their impact (read more on page 8).

Amplifying awareness is essential – more than three-quarters of our social media posts, for example, are about members' activities, and two-thirds of all articles on our website showcased members' work. Videos and live-streamed webinars are also important for sharing knowledge and expertise among members and to reach new audiences. We continued our series Did you Know? with four new YouTube videos putting a human face on inclusive finance, and tapping into the podcast boom, our Chair Michel Maquil presented five editions of the popular Carte Blanche series on RTL Radio.

We were delighted to welcome two new members, CARE Luxembourg and Handicap International (HI) Luxembourg. CARE is one of the largest humanitarian aid networks in the world, with an impressive track record reaching 6.7 million people through Village Savings and Credit Associations (VSLAs), 81 percent of whom are women. HI is also active in inclusive finance, and has helped set up microfinance and social credit programmes across Latin America, Asia and Africa.

With a total of 36 members, InFiNe.lu now reflects the full diversity of the Luxembourg inclusive finance ecosystem, bringing together private, public and civil society organisations, and we continued our membership of the influential Social Performance Task Force (SPTF) and the European Microfinance Platform (e-MFP).

Despite Covid restrictions, InFiNe.lu and its members participated in several high-profile events, including the launches of the Business Partnership Facility and the Luxembourg Sustainable Finance Initiative; Lunch & Learn events organised by ADA; the Luxembourg Cooperation Conference; LHoFT's CATAPULT: Inclusion Africa programme; the Farad Finance Forum; the Convergences World Forum in Paris; and African Microfinance Week in Rwanda, where we organised a stand showcasing the work of InFiNe members. We were also active in European Microfinance Week both as a sponsor and organiser of a discussion panel in partnership with the LHoFT.

Our participation is designed to boost awareness of InFiNe.lu and its members, as well as giving an opportunity to advocate for greater financial inclusion for poor and marginalised communities. By doing so, InFiNe.lu continued to strengthen its credibility as an influential thought leader and centre of excellence in the inclusive finance ecosystem.

2021 European Microfinance Award

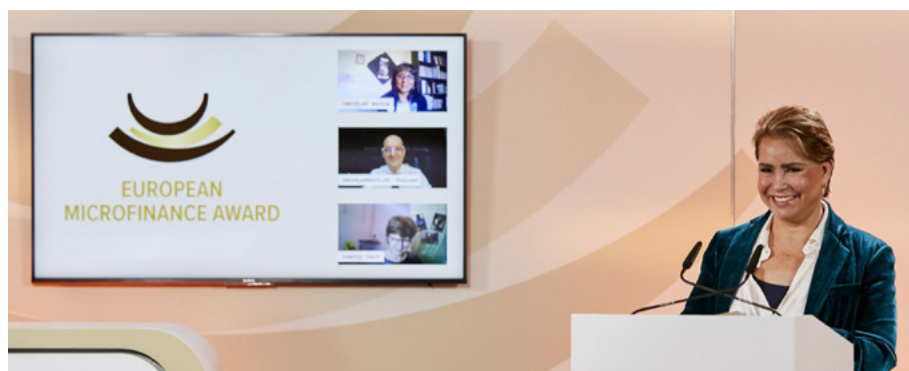
12th Edition: Inclusive Finance and Health Care

Ill health is the single biggest financial risk facing poor households – both the cost of treatment itself and the long-term financial burden of a health shock.

Funded by the Luxembourg Ministry for Foreign and European Affairs – Directorate for Development Cooperation and Humanitarian Affairs, the Award winner receives €100,000, with each runner-up getting €10,000. InFiNe.lu co-organised the Award and ceremony, launching the call for applications in March 2021 in English, French and Spanish and promoting it through social and news media, as well as via partners and members – resulting in 43 entries from 32 countries.

A committee of 19 expert judges drawn from InFiNe and e-MFP members selected ten semi-finalists, from whom three went forward to the final. The Award ceremony on November 18 was hosted by broadcaster and journalist Nathalie Reuter in the presence of Her Royal Highness The Grand Duchess of Luxembourg, and the Minister for Development Cooperation and Humanitarian Affairs Franz Fayot.

More details about the 2021 European Microfinance Award finalists and winner, as well as previous editions, can be found [here](#).



Her Royal Highness The Grand Duchess of Luxembourg addresses the 2021 European Microfinance Award

WINNER

Fonzoke (Haiti)

Fonzoke provides financial and non-financial services to support Haitians – mainly women – to lift their families out of poverty. In 2014 the Fonkoze Foundation launched Boutik Santé, a training programme which teaches microfinance clients to become 'community health entrepreneurs' conducting basic health screening, deliver health education sessions and procure health products.

"To see our work recognised by the European Microfinance Award is a huge encouragement for us," Fonkoze Foundation Executive Director Carine Roenen told the ceremony via satellite from Haiti. "When we told our community health entrepreneurs about the award they were also very proud – they enable us to provide health care to tens of thousands of children. Thank you on behalf of my colleagues!"

RUNNER-UP

CRECER IFD (Bolivia)

CRECER operates village banks providing savings and loans to women and vulnerable communities in rural and peri-urban areas. Given that cervical cancer is the leading cause of death among Bolivian women, CRECER offers a health credit scheme to cover medical costs, and operates a cervical cancer screening treatment programme.

RUNNER-UP

Dreamlopmments Ltd. (Thailand)

Dreamlopmments Ltd is a non-profit social enterprise and foundation which runs two development projects for migrant workers and border communities in Thailand and Myanmar. It offers low-cost, not-for-profit health microinsurance using 28 linked health facilities via its M-FUND app – including cover for chronic, old age and pregnancy healthcare.

Our Global Reach

2021 saw the launch of the online Mapping of the Luxembourg Inclusive Finance Ecosystem in collaboration with PHB Development. Backed by more than 25 years' experience in inclusive finance, the Luxembourg Inclusive Finance Ecosystem has built its global expertise across a variety of sectors including technical assistance, green inclusive finance, microfinance investment vehicles, agricultural finance, microinsurance, impact and sustainable finance, fintech, and cybersecurity.

Based on data from 2020, extensive interviews and a qualitative survey of Luxembourg-based inclusive finance organisations, the mapping reflects the diversity of Luxembourg civil society, private and public stakeholders in inclusive finance.

Users can navigate their way through the Luxembourg Inclusive Finance Ecosystem to discover more about inclusive finance expertise in Luxembourg, where in the world the Luxembourg Inclusive Finance Ecosystem supports projects, and how InFiNe.lu members contribute to the Sustainable Development Goals.





Get to Know Luxembourg's Inclusive Finance Ecosystem

Hold the "CTRL" key to select multiple items.

Organisation

All

Type of organisations

All

Logo

Description

Organisation

☐ ABIL - The Luxembourg Bankers' Association
☐ ACA - Association des Compagnies d'Assurances et de Réassurances du Grand-Duché
☐ ADA (Appui au Développement Autonome)
☐ Advans
☐ ALFI - Association of the Luxembourg Fund Industry
☐ Alliance for Financial Inclusion
☐ Amnemsan
☐ Anesit and Medemach Luxembourg
☐ Backbone SA
☐ Bamboo Capital Partners
☐ Blackboard

Organisation Expertise

Microfinance

Mico and small enter.

Agricultural Finance

Digital Finance

Green Finance

Essential services (ma)

Social and Economic

Women Finance

Insurance / Micro-insu

Youth and Enterprise

Refugee Finance

The Luxembourg Bankers' Association is the professional organisation representing the majority of banks and other financial intermediaries established in Luxembourg. Its purpose lies in defending and fostering the professional interests of its members. As such, it acts as the voice of the whole sector on various matters in both national and international organisations. The ABIL courts amongst its members universal banks, covered bonds issuing banks, public banks, other professionals of the financial sector (PFI), financial service providers and ancillary service providers to the financial industry.

ACA is the representative association of Luxembourg-based insurance and reinsurance undertakings. ACA's main missions are to inform members of all news touching the insurance and reinsurance sector, to promote the Luxembourg insurance and reinsurance sectors to formulate opinions on regulation, to represent the sector's interests as employers in the social dialogue, alternative dispute resolution in the insurance sector.

ADA is a Luxembourgish NGO working to promote an effective, sustainable and social inclusive finance sector worldwide. ADA mission is organised around 5 hubs of activity: Inclusive financial innovation; Capacity building; Investment services; Research & Development; Information & Knowledge Management.

The Association of the Luxembourg Fund Industry (ALFI) is the official representative body for the Luxembourg investment fund industry. ALFI mission is organised around 4 hubs of activity: helping members' capital on industry trends; Shaping regulation; Encouraging professionalism integrity and quality; Promotion of the Luxembourg investment fund industry.

The Global Reach of Luxembourg's Inclusive Finance Ecosystem

Hold the "CTRL" key to select multiple items.

Organisations

All

Type of organisations

All

Project Focus

All

Project Category

Recipient Type

Project Focus

☒ Agricul...☒ Digital f...☒ Essenti...☒ Green f...☒ Housing...☒ Insuran...☒ Micro a...☒ Microfin...☒ Refugee...☒ Social a...

Loan Financing	Microfinance Institution
Technical Assistance	Equity
Grant Financing	Research & Dev.
Other type of p...	Adm.
Financial Educat...	Dis.
	Investment
	Bank
	Other fina.

Luxembourg's Inclusive Finance Ecosystem Commits to the Sustainable Development Goals

Hold the "CTRL" key to select multiple items.

SUSTAINABLE DEVELOPMENT GOALS

1 People

2 Zero Hunger

3 Good Health and Well-being

4 Quality Education

5 Gender Equality

6 Clean Water and Sanitation

7 Affordable and Clean Energy

8 Decent Work and Economic Growth

9 Industry, Innovation and Infrastructure

10 Reduced Inequalities

11 Sustainable Cities and Communities

12 Responsible Consumption and Production

13 Climate Action

14 Life Below Water

15 Life on Land

16 Peace, Justice and Strong Institutions

17 Partnerships for the Goals

SDG

☒ Select all
☐ SDG 1
☐ SDG 2
☐ SDG 3
☐ SDG 4
☐ SDG 5
☐ SDG 6
☐ SDG 7
☐ SDG 8
☐ SDG 9
☐ SDG 10
☐ SDG 11
☐ SDG 12
☐ SDG 13
☐ SDG 14
☐ SDG 15
☐ SDG 16
☐ SDG 17

Type of organisations

All

Organisation

☐ ABIL - The Luxembourg Bankers' Association
☐ ADA (Appui au Développement Autonome)
☐ ALFI - Association of the Luxembourg Fund Industry
☐ Backbone SA
☐ Bamboo Capital Partners

Logo

Luxembourg for Finance (LFF) is the Agency for the Development of the Financial Centre, founded in 2008 to promote the expertise of Luxembourg as a financial centre. LFF is active in inclusive finance and microfinance, through events such as the Sustainable Finance Forum 2021 and various publications on sustainable finance. Besides LFF is a founding member of LuxFLAG, a microfinance labelling agency and has supported the Luxembourg House of Financial Technology (LHFT) to launch Catapult Africa, a programme aimed at supporting inclusive fintech.

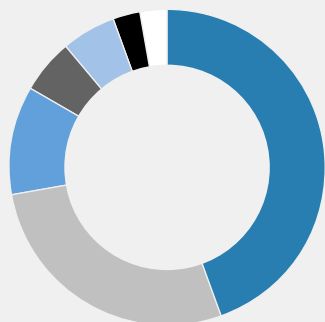
LFF's active promotion and support to sustainable and inclusive finance is aligned with the achievement of the SDG 17: Partnerships to achieve the Goal. By bringing a wide range of stakeholders together, LFF is strengthening the means to support progress towards the achievement of SDGs related to sustainable and inclusive finance.

Explore the Luxembourg Inclusive Finance Ecosystem in full [here](#)

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Our members in 2021

In 2021, we welcomed two new institutional members – CARE Luxembourg and Handicap International Luxembourg – increasing our membership to a total of 36.



- Not-for-profit organisations
- Private sector organisations
- Financial institutions
- Government institutions
- Individual members
- Development cooperation agencies
- Alternative investment fund managers

Financial institutions

European Investment Bank

www.eib.org

European Investment Fund

www.eif.org

Luxembourg Microfinance & Development Fund

www.lmdf.lu

Microlux

www.microlux.lu

Development cooperation agency

LuxDev

luxdev.lu/en/home

Alternative investment fund manager

Bamboo Capital Partners

www.bamboocp.com

Private sector organisations

Arendt and Medernach Luxembourg

www.arendt.com

Backbone SA

www.backbone.eu.com

Deloitte Luxembourg

www.deloitte.com/lu/en.html

Elvinger Hoss Prussen

www.elvingerhoss.lu

EY Luxembourg

www.ey.com/LU

Finance in Motion GmbH – Luxembourg Branch

www.finance-in-motion.com

GreenEthica by FARAD

Investment Management SA

www.farad-im.com

Innpact

www.innpact.com

PwC Luxembourg

www.pwc.lu

Suricate Solutions SA

suricatesolutions.com

Government institutions

Luxembourg Aid & Development

cooperation.gouvernement.lu

Luxembourg Ministry of Finance

www.mf.public.lu

Individual members

Marc Elvinger

Partner, Elvinger Hoss Prussen and Chairman of Friendship Luxembourg

Michel Maquil

Chair of InFiNe.lu and Former President and CEO of the Luxembourg Stock Exchange

Not-for-profit organisations

ABBL – The Luxembourg Bankers' Association

www.abbl.lu

ACA – Association des Compagnies d'Assurances et de Réassurances du Grand-Duché de Luxembourg

www.aca.lu

ADA (Appui au Développement Autonome)

www.ada-microfinance.org/en

ALFI – Association of the Luxembourg Fund Industry

www.alfi.lu

CARE Luxembourg

www.care.lu

European Microfinance Platform (e-MFP)

www.e-mfp.eu

Fondation de Luxembourg

www.fdlux.lu

Grameen Crédit Agricole Microfinance Foundation

www.gca-foundation.org/en

Handicap International Luxembourg

handicap-international.lu

House of Training

www.houseoftraining.lu

LFF – Luxembourg for Finance

www.luxembourgforfinance.com

Luxembourg House of Financial Technology Foundation

www.lhft.com

LuxFLAG (Luxembourg Finance Labelling Agency)

www.luxflag.lu

Microinsurance Network

www.microinsurancenetwerk.org

SOS Faim Luxembourg

www.sosfaim.org

SPTF Europe asbl

sptf.info

Our Board of Directors as of 30 June 2021

Michel Maquil • Chair

Michel has been Chair of InFiNe.lu since 2014, before which he was Chair and CEO of the Luxembourg Stock Exchange, advisor to the Central Bank of Luxembourg and an independent economic advisor.

Katharine Pulvermacher • Vice-Chair

Katharine is Executive Director of the Microinsurance Network, a unique global platform bringing together stakeholders from across the inclusive insurance value chain to improve the capacity of the world's unserved and underserved households to manage risk and access appropriate insurance services.

Laurent Capolaghi • Treasurer

Head of EY Luxembourg's Private Equity practice and Impact Investing Group. Laurent is an Executive Committee and Board member of the Luxembourg Private Equity Association; chairs the Fund Labelling working group of the Luxembourg Investment Fund Association, and helped launch the International Climate Finance Accelerator.

Axel de Ville • Secretary

Strategy and Innovation Director (and former Executive Director) of ADA. Axel was previously Head of the UNCDF Regional Office and Deputy Director of the UN Women Regional Office for the West and Central Africa region, and a former Chair of the Luxembourg Microfinance and Development Fund.

Marc-André Bechet

Deputy Director General of the Association of the Luxembourg Fund Industry (ALFI), and former Head of Investment Funds Services at Banque Degroof. Marc-André also spent 18 years at RBC Investor Services Bank SA, where he held various senior positions.

Chris Hollifield

Head of business development at Luxembourg for Finance, advising FinTech and financial companies. Before joining LFF, Chris worked in the strategy department of Clearstream Banking SA, focusing on distributed ledger technology and other FinTech initiatives.

Hélène Keraudren-Baube

Administrative and financial director of the Grameen Crédit Agricole Foundation, Hélène has worked in the inclusive finance sector since 2003. As Head of Finance and Management Tools at Entrepreneurs du Monde she was based in Haiti, Cambodia and at headquarters.

Paul Weber

Paul is Attaché de Légation at the Luxembourg Ministry of Foreign and European Affairs – Directorate for Development Cooperation and Humanitarian Affairs, focusing on evaluating evidence, strategising and effectively supervising financial inclusion, private sector engagement and development programmes.

Sachin Vankalas†

We extend our deepest sympathy to the family, friends and colleagues of Sachin Vankalas, General Manager of LuxFLAG and InFiNe.lu Board member, who died suddenly in July 2021. During his 10 years with LuxFLAG, Sachin was universally recognised for his expertise and pioneering leadership in responsible investment. His passion for promoting the development of sustainable finance had an impact on all who worked with him.

We also thank the following Board members who served until June 30 2021:

Thomas Lammar, Attaché de Légation at the Luxembourg Ministry of Foreign and European Affairs – Directorate for Development Cooperation and Humanitarian Affairs

Luc Vandeweerd, Strategic Advisor, ADA

Robert Jarvis, Former Advisor, Luxembourg For Finance

Our Executive Managers

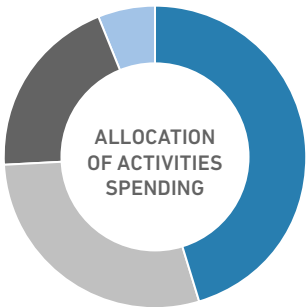
Julie Bouchat

Catherine Van Ouytsel

2021 Financial Summary

INCOME	€464,861.27
Core funding	€321,861.27
Membership Fees	€23,000.00
Award Prize Money	€120,000.00

EXPENSES	€464,861.27
Activities	€81,587.96
European Microfinance Award	€255,710.24
Employer charges	€98,766.23
Back-office expenses	€27,696.84
Memberships	€1,100.00



- Capacity Building **46%**
- Engagement & Dialogue **29%**
- Advocacy & Influencing **20%**
- Networking **6%**

Inclusive Finance Network Luxembourg

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LinkedIn



YouTube

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