



Investing for Development

Société d'Investissement à Capital Variable

P R E S S R E L E A S E

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Raymond Schadeck new designated chairman of the Investing for Development SICAV (and its two Sub-Funds LMDF and FCCF). Minister of Finance Pierre Gramegna thanks Kenneth Hay for his successful leadership during the last five years.

The Shareholders of the Investing for Development SICAV and its two sub-funds, the Luxembourg Microfinance and Development Fund (LMDF) and the Forestry and Climate Change Fund (FCCF) held the General Meeting of Shareholders on Thursday, 5 July at the Maison de la Microfinance.

The shareholders appointed four new directors to the Board, including Raymond Schadeck as designated chairman. Kenneth Hay did not seek a new mandate after a very successful tenor started mid-2013. During his mandate, Luxembourg Microfinance and Development Fund (LMDF) saw its net assets more than double from EUR 14.4 million to EUR 31.2 million, a significant expansion of Luxembourg based individuals investing in LMDF (who account for 30% of the total Fund today) and the successful launch of the Forestry and Climate Change Fund (FCCF).

Kenneth Hay stated that *“Over the eight years of its existence, the fund has built a convincing track record and the time is now right to introduce a new Chairman who can bring fresh ideas and impetus to the Fund at a stage when it is poised for further development. It has been a privilege and a pleasure to work with the dedicated and committed management team of the Fund and with the Board and Committee members who give freely of their time and expertise to ensure the success of the Fund.”*

The **Minister of Finance Pierre Gramegna** stated: *“The emerging sector of sustainable and green investments needs strong leaders to establish trust and confidence of actors of the financial sectors in these new ideas. I warmly congratulate Ken Hay for his leadership of the Luxembourg Microfinance and Development Fund and the successful launch of the climate impact focused Forestry and Climate Change Fund during the last five years. Both Funds are examples of Luxembourg’s leading role as an international center for sustainable finance”.*

Mr Romain Schneider, Minister for Development Cooperation and Humanitarian Affairs said: *“The eradication of poverty cannot be ensured solely through public development efforts. On the contrary, we aim at playing a catalysing role in promoting private investments that have a positive social and environmental impact. LMDF represents a perfect example for this approach: the fund is steadily growing, with an ever more important share of private investors, it generates benefits, and, most importantly, it outperforms other microfinance investment funds in terms of social performance”.*

Raymond Schadeck stated : *“I am deeply honoured to have been asked to take up the chairmanship of Investing for Development SICAV: it’s a responsibility I accept with great enthusiasm as there are few organisations that are so fully aligned with my sincere conviction that each and every one of us can and must play a role, for example in the alleviation of poverty ; be it through direct involvement on the ground or via supporting organisations such as LMDF, empowering people to build a better future for themselves and promoting sustainable entrepreneurship where it is most needed.”*

Claude Faber, deputy director of the Development Cooperation and Humanitarian Affairs Department of the Ministry of Foreign Affairs joins the Board alongside Monica Tiuba and Natacha Oskian, two independent directors.

A successful year 2017/18 for LMDF

LMDF’s financial year ended on March 31, 2018 was characterised by an increase in investment activities: 47 MFIs are now financed in 22 different countries. These investments allowed to achieve greater global coverage with 52% of investments realised in Latin America, 20% in Africa, 23% in Asia and 5% in developed countries. 38,899 is the number of micro-entrepreneurs financed by the fund of whom 82% are women.

On the financial side, a significant improvement has been noticed. The total NAV amounted to EUR 31.2 million compared to EUR 27.3 million last year. The twelve-month return is as follows: 2.2% for Class B; 1.4% for Class C constituting an attractive stable return in a low interest rate environment.

Launch of the Forestry and Climate Change Fund (FCCF)

FCCF, launched in October 2017, is a pioneering impact fund investing in sustainable management of secondary & degraded tropical forests to generate economic, ecological and social value and contributes to healthy landscapes, climate change mitigation & adaptation and local economic development. FCCF made its first investment in the Simplemente Madera Marketplace SA company in Nicaragua in April 2018. FCCF starts with commitments for USD 15 million from the Luxembourg fonds climate et énergie, the Ministry of Finance, the Banque et Caisse d’Epargne de l’Etat (BCEE), the Banque Internationale à Luxembourg (BIL) and the Foyer Group.

Interesting publications by the Funds

- Annual Report LMDF ([link](#))
- Annual Report FCCF ([link](#))
- LMDF’s Social Performance report 2017 ([link](#))

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