

Luxembourg, 20 April 2016

## **Incorporation of microlux, the first microfinance institution for Luxembourg and the Greater Region**

On Thursday 31 March 2016, ADA (Appui au Développement Autonome), ADIE (Association pour le Droit à l'Initiative Économique) and BGL BNP Paribas, in the presence of the EIF (European Investment Fund), officially incorporated microlux, the first microfinance institution for Luxembourg and the Greater Region. With this initiative the four partners, all specialised in microfinance and social entrepreneurship, are seeking to support and enable the formation and development of businesses by individual clients or social enterprises lacking access to regular bank credit.

### **Microlux, an innovative project serving micro-entrepreneurs and social entrepreneurs**

In addition to financing these business activities through microloans, microlux aims to provide tailored support to social enterprises, thus breaking new ground compared with microfinance institutions in other European countries.

### **A range of financial and support services adapted to the needs of entrepreneurs**

Microlux will offer an extensive range of services to best meet the needs of its clients. It will provide coaching, supervision and training through a team of trained volunteers in microfinance and coaching. It will also provide three types of microcredits: a microloan of up to EUR 15,000, a "micro+" loan of up to EUR 20,000 for businesses already in operation, and a social entrepreneurship loan of a maximum EUR 25,000.

### **An organisation meeting microfinance needs in Luxembourg and ultimately in the Greater Region**

Microlux, which will begin operations in June 2016, has recruited two project managers, under the supervision of a Board of Directors comprising representatives from the four partners.

Microlux's business has been authorised by the Luxembourg financial regulator, CSSF, and by the Ministry of the Economy. The institution will be headquartered at the House of Microfinance, at 39 Rue Glesener in Luxembourg City.

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[www.microlux.lu](http://www.microlux.lu) (under construction)

### **About ADA**

ADA has been working for 20 years to develop microfinance solutions for those without access to traditional banking services. We seek to strengthen the autonomy and capacities of microfinance institutions (MFIs), professional associations, and networks. We also help governments to structure the microfinance sector at regional and national level. To that end, we propose and develop targeted and innovative microfinance products that have a positive impact on the lives of thousands of people working in or for the South, and advise and support MFIs in their search for funding. In addition, we have established presence in the field of research so as to take a forward-looking stance on the needs of the microfinance world and measure the social impact of our actions. Our flexibility allows us to tailor each project to the needs of our partners and to the reality on the ground.

Headquartered in Luxembourg, ADA manages an annual budget of EUR 10 million and has 40 employees. We benefit from the High Patronage of the Grand Duchess Maria Teresa of Luxembourg.

### **About ADIE**

ADIE is a French public-interest organisation that provides microcredit to people excluded from the job market and lacking access to the traditional banking credit required to create their business and, hence, their employment. ADIE is a pioneer and leading player in microcredit in France and Europe. It also supports project initiators by assisting them before and after the launch of their microbusiness with a view to ensuring their long-term success.

Founded in 1989 by Maria Nowak, ADIE has financed over 160,000 microloans, thereby contributing to the formation of more than 116,000 companies.

In 2015, it financed over 18,000 people, helping to create 225 new jobs a week. The survival rate of these companies after two years is 70%, while the employment rate of financed individuals after two years is 84%. Outside France, ADIE is contributing to the development of microfinance in Europe and the Mediterranean Basin, with microStart in Belgium, Taysir in Tunisia, AFI in Greece and microlux in Luxembourg.

**About BGL BNP Paribas**

BGL BNP Paribas ([www.bgl.lu](http://www.bgl.lu)) is one of the largest banks in the Grand Duchy of Luxembourg. It offers an especially wide range of financial products to individuals, professionals, private banking clients and businesses. BGL BNP Paribas is Luxembourg's number-one provider of banking services to professionals and small- and medium-size companies, and number two in services for individuals. It is also the leader for bancassurance. In 2015 the international magazine The Banker named BGL BNP Paribas "Bank of the Year" in Luxembourg.

With microlux, the BNP Paribas group is now committed to microfinance in its four domestic markets: in Luxembourg, but also in France with ADIE, in Italy with PerMicro and in Belgium with microStart. In addition to these commitments, the Group works to support microfinance institutions (MFIs) worldwide, notably in its operating countries, including 15 in India and two in Morocco. BNP Paribas brings its clients and employees the opportunity to invest indirectly in microfinance funds, including in Luxembourg with the Luxembourg Microfinance and Development Fund (LMDF). In 2015, the Group invested over EUR 630 million in the microfinance and social entrepreneurship sector.

**About EIF**

The European Investment Fund (EIF) is part of the European Investment Bank Group. Its central mission is to support Europe's micro, small and medium-sized businesses by helping them to access finance. EIF designs and develops venture and growth capital, guarantees and microfinance instruments specifically targeting this market segment. In this role, EIF fosters EU objectives in support of innovation, research and development, entrepreneurship, growth and employment.

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