

Her Royal Highness the Grand Duchess Speech 10 years LuxFlag 22.11.2016

Dear Minister Gramegna
Dear Minister Dieschbourg,
Dear Mr Seale,
Ladies and Gentlemen,

It is a great pleasure to be with you to celebrate this 10th anniversary of Luxflag and to share some reflections on a remarkable initiative ; one that cast a different light on the financial center and its players.

It is also a source of great personal joy to observe that ever more people are demanding a new economic model, a more inclusive and creative economy that places human values, health, dignity and respect for future generations at the heart of the system.

I remember, Dear Mr Seale, a conversation we had when you kindly invited Professor Yunus to Luxembourg in 2005. After hearing professor Yunus speak, we discussed how Luxembourg might do something that would contribute to an inclusive economy. I was thrilled and grateful, not only because of the true attachment I have to microfinance as an efficient tool, but also because I was convinced that it would contribute favourably to the image of our financial center and that it could enhance our credibility as innovators in the financial sector.

It took your vision and your courage, with the support of those who shared your enthusiasm, to introduce the investment tool we now know as Luxflag in 2006.

It should be recognised that at the time of the birth of the project, one could feel a certain mistrust within the financial community. The appearance in the financial landscape of a certification agency for microfinance investment funds was like the arrival of an Unidentified Flying Object !

In the last ten years, the face of finance has changed dramatically.

It took a disaster of the proportion of the crisis of 2008 for the world to truly accept that what was legally possible was not enough and did not necessarily mean morally right !

Fortunately, in the vocabulary of the operators of the financial sector, the terms "ethics" and "morality" are becoming an ever more important component of the economy.

Universities and management schools need to integrate more this paradigm change deeply

into their programmes. Students need the tools to analyse and resolve the ethical dilemmas that will inevitably come their way. Learning how to succeed financially is no longer enough. The incorporation of ethical considerations should become part of their working DNA. This means encouraging radical, creative thinking around a factor that was perhaps forgotten: at the center of economic activity lies the human being.

Dears friends,

Steadily rising public demand for microfinance investment vehicles reflects a development that conventional finance has not been able to satisfy. People want to know where their savings are going ; they want their investments to make sense and they want to be more involved in important issues. They wish to move the lines!

At the same time, the populations served by microfinance investment vehicles have spread across continents. When LuxFlag was created, there was already significant demand. This has steadily grown, driven by the simple fact that the vast majority of the world population is still deprived of access to credit. LuxFlag is helping to make money available where there is a lack of it, permitting people to take decisions of their own, thus giving them independence.

We must continue to be there for them.

I am so proud that, in 10 years, Luxflag has become the reference in the European market for investors who want to place their savings with confidence in a more inclusive economy.

Yes, LuxFlag was the right tool at the right time and I truly want to thank and congratulate today the talented people who signed up to that challenging ambition: Thomas Seale and those around him, as well as the ministers of the time, Luc Frieden and Jean-Louis Schiltz who had the vision to believe in the project and to grant it the financial resources it needed to develop.

Undoubtedly, the launch of the agency in 2006 marked a turning point for the financial center. LuxFlag embodied a new image of Luxembourg.

It has remained ahead of the game as there is still no other agency offering labels that guarantee ongoing review of the underlying portfolios.

Ahead of the game also because LuxFlag has launched in the last months a quality label for investing in climate change related projects.

LuxFlag has made a name for itself, in the true meaning of the expression and that name reflects on those who founded it!
If further proof were needed, we can find it in the fact that the first funds to apply for the label still trust in its value.

May I conclude by telling you how proud I am of being the honorary president of LuxFlag and by wishing you all great success in the future at the service of a more sustainable and inclusive economy!

HAPPY BIRTHDAY LUXFLAG

