

Reducing poverty through greater involvement in Africa

The Geneva-based Symbiotics Asset Management SA has been selected as Fund Manager of the first Regional Investment Fund for Micro, Small and Medium Enterprises in Sub-Saharan Africa (REGMIFA).

Set up by the Federal Ministry for Economic Cooperation and Development (BMZ) and KfW Development Bank, the Fund is dedicated to strengthen the private sector through local currency and improve personal incomes across Sub-Saharan Africa. Investors participating in the fund committed more than USD 150 million.

“We are very proud to have been selected as investment manager for REGMIFA”, said Roland Dominicé, CEO of Symbiotics. “This is an important recognition for our group and an honor for us to serve the impact and mission pursued by the initiators of this project.”

Earlier today REGMIFA was formally launched at a signature ceremony in Berlin. The ceremony was attended by Mr. Gudrun Kopp, Parliamentary Secretary of State at the Federal Ministry for Economic Cooperation and Development (BMZ); Dr. Norbert Kloppenburg, Member of the Board of KfW Banking Group and representatives of the Spanish Development Agency (AECID); IFC, a member of the World Bank Group; the European Investment Bank (EIB) and other development institutions participating in the fund.

Mr. Gudrun Kopp said: "This innovative fund provides for the first time microfinance institutions across Sub-Saharan Africa with a broad range of financial instruments. This funding will enable microfinance institutions to finance approximately 300,000 companies over the next five years and to create and secure 500,000 jobs. The creation of these jobs will be a significant contribution to both poverty reduction and alleviating the effects of the economic crisis in Africa."

“REGMIFA will be a pioneer and important contribution to employment and entrepreneurship at the bottom of the pyramid throughout Sub-Saharan Africa”, comments Valérie Dujardin, Head of Asset Management at Symbiotics and team leader of the project. “We are very happy to contribute to the launch of this project and look forward to implement its strategy over the coming years.”

The fund will develop a credit portfolio of about USD 200 million by 2014. This will be the first time that a dedicated fund provides microfinance institutions in Sub-Saharan Africa with a range of key financing instruments, including long-term debt and quasi-equity financing such as subordinated local currency loans.

The Fund will provide direct funding for approximately 50 microfinance institutions. They, in turn, will lend to over 300,000 small businesses in local

currency. The key benefit will be the removal of currency risk for borrowers and therefore a lower debt burden. Experience shows that the vast majority of borrowers will be women, whose social position and income earning role as entrepreneurs will be strengthened.

Prospective investors in the Fund, in addition to the Ministry for Economic Co-operation and Development (BMZ) and the KfW Development Bank are: the Spanish Ministry of Foreign Affairs (MAEC), the Spanish Agency for International Cooperation for Development (AECID), the Spanish Development Bank (ICO), the IFC, a member of the World Bank, the Belgian Investment Company for Developing Countries (BIO), the Development Bank of Austria (OeEB) the Development Bank of the Netherlands (FMO), the European Investment Bank (EIB), the European Commission/EuropeAid, the French Development Agency (AFD), the Investment and Promotions Company for Economic Cooperation (PROPARCO), the Norwegian Microfinance Initiative (NMI), and the African Development Bank (AfDB).

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SYMBIOTICS:

Symbiotics Investment Management SA is the dedicated asset management unit of the Symbiotics group, a leading microfinance investment services platform. Symbiotics has originated over USD 650 million of microfinance investments to more than 130 financial institutions in over 30 emerging economies over the past five years. These investments have contributed to the financing of over 430,000 loans disbursed to as many micro and small entrepreneurs.

For further information, please consult:
www.symbiotics.ch www.syminvest.com