

## Press Release



### *The Microfinance Enhancement Facility as the newest Signatory of the Operating Principles for Impact Management promoting best practices in impact investing*



#### **Luxembourg, 10 February 2021**

The Microfinance Enhancement Facility (MEF) became a Signatory of the Operating Principles for Impact Management (OPI) effective as of 27 January 2021. The Principles, an initiative led by IFC and launched in 2019 as an industry standard, draw on emerging best practices from asset managers and asset owners to provide a reference point against which impact management systems of funds in the field of impact investing may be assessed.

The Operating Principles for Impact Management play a key role for MEF as they foster transparency and standardisation in the assessment, consideration, and management of positive and negative impacts within the Fund's investment decisions. MEF thereby further confirms its commitment to support and implement greater transparency and best practices in impact investing, particularly by assuring consistency in the design and implementation of its impact management systems.

MEF's total assets under management amount to USD 705 million and are fully aligned with the Principles, therefore classified as "Covered Assets". The Fund's global mandate, its investments sourced through four leading Investment Advisors who are also signatories of the Operating Principles for Impact Management, and the support of committed Development Finance Institutions as shareholders, all combine to position MEF as a cornerstone of the microfinance industry – thereby contributing to strengthening the provision of responsible financial services to micro and small enterprises, leading to increased financial resiliency, economic growth as well as job creation, and thereby reducing poverty in emerging markets.

"We are thrilled to participate and show our commitment in implementing the Principles as a global standard in impact investing and to ensure transparency within all the investment processes" said **Ihno Baumfalk, Chairperson of the MEF Board of Directors.**

#### **About MEF**

The Microfinance Enhancement Facility was initiated in 2009 by KfW (German state-owned development bank) and IFC (International Finance Corporation) as a joint initiative with OeEB (the Development Bank of Austria). MEF seeks to support economic development and prosperity globally through the provision of short and medium-term financing to financial institutions which support microfinance and micro-enterprises (MFIs). MEF currently manages a global portfolio of USD 579 million (as of September 2020) and de-risks its investee institutions and their borrowers from currency fluctuations with 63% of the portfolio in local currencies (fully hedged to USD). With over USD 2.3 billion disbursed since inception, MEF has supported more than 264 financial institutions active in microfinance in 58 developing countries and has enabled them to provide loans to over 500,000 final borrowers. MEF's partner institutions have a strong developmental profile with an average outstanding loan amount of USD 1,800 per final borrower, 84% of whom are women.

For additional information, please consult [www.mef-fund.com](http://www.mef-fund.com) or e-mail [info@mef-fund.com](mailto:info@mef-fund.com)