

UKSIF Event

April 2002

The CDFA was launched at HM Treasury on April 24th by the Rt Hon Paul Boateng MP, the Financial Secretary to the Treasury, and Sir Ronald Cohen, the Chairman of Apax Partners Holdings Ltd and Chair of the Social Investment Task Force. The Financial Secretary spoke of the government's commitment "to supporting the CDF sector, which we think has the potential to make a valuable contribution to our efforts to make opportunities for enterprise open to all."

Sir Ronald welcomed the creation of the CDFA, saying "The Social Investment Task Force identified CDFIs as crucial to community development because they provide finance and other services to those who are excluded from the mainstream. Just as the British Venture Capital Association has greatly aided the flow of information and experience across venture capital firms and given greater weight to their calls for new policies, so the CDFA, by informing, representing and supporting CDFI's, will help build a thriving community development sector in this country. I therefore urge CDFIs and leading financial institutions to join and otherwise support its efforts."

Mark Pinsky, the Chief Executive of the National Community Capital Association (the US trade association for CDFIs) also gave short speech, via video, to congratulate the sector for establishing the association and outlining the important role it would play in developing the sector.

Andrew Robinson, Chair of the UK Social Investment Forum, outlined the process of developing the association, which involved considerable consultation with key players in the sector, and thanked all of those involved with bringing it to this point. Ros Boyle from the CDFA then outlined the services that the CDFA will offer. These include capacity building, networking and information exchange, the development of benchmarks for the sector, best practice dissemination and advocacy with government and other stakeholders (see leaflet below).

Community Development Finance

There have been a lot of developments in the community development finance sector over the last few years, starting with the Social Investment Task Force in 2000 - one of the recommendations of which was to set up a trade association for CDFIs in the UK. The UK Social Investment Forum (UKSIF) has since been working with a steering committee to oversee the development of the association, ensuring

consultation with as wide a group as possible to get the shape and goals of the organisation just right.

CDFIs are sustainable independent organisations that provide capital in under-invested communities and markets enabling enterprises to grow, adding value and creating jobs. But investment has not been happening on anything like the scale needed to make a sufficiently large impact. The CDFA's mission is to grow and promote the sector, enabling CDFIs to reach further into marginalised areas and fill the gaps left by mainstream finance providers. US experience shows that a strong trade association is vital to the development of the sector - helping to set performance standards and advocating on behalf of the sector.

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