A New Generation of Investments Against Climate Change
Philanthropy

OBJECTIVE
✓ Investors priority is social/environmental support and change through donation

SOLUTION
- Philanthropy advisors
- Venture philanthropy
- Trust and foundations

Sustainable investments

OBJECTIVE
✓ Main goal is maximized risk adjusted financial return via sustainability trends

SOLUTION
- ESG investments products
- Sustainability thematic products

Impact investments

OBJECTIVE
✓ Main goal is social impact combined with (moderate) financial return

SOLUTION
- Microfinance
- Investments in social enterprises
- Value-based Investments

Charity (Social return)  Profit (financial return)

Source: adapted from Credit Swiss
Impact investments are investments made into companies, organizations, and funds with the intention to generate a measurable social and environmental impact alongside a financial return.
## Core Characteristics of Impact Investing

1. **Intentionality**
   An investor’s intention to have a positive social or environmental impact through investments is essential to impact investing.

2. **Investment with Return Expectations**
   Impact investments are expected to generate a financial return on capital or, at minimum, a return of capital.

3. **Range of Return Expectations and Asset Classes**
   Impact investments target financial returns that range from below market (sometimes called concessionary) to risk-adjusted market rate, and can be made across asset classes, including but not limited to cash equivalents, fixed income, venture capital, and private equity.

4. **Impact Measurement**
   A hallmark of impact investing is the commitment of the investor to measure and report the social and environmental performance and progress of underlying investments, ensuring transparency and accountability while informing the practice of impact investing and building the field.
A global movement for a new generation of investments

Global Steering Group for Impact Investment

Chair: Sir Ronald Cohen

Executive leadership: Nick O’Donohoe (Deputy Chair), Nicola Cobbold (Deputy Chair), Amit Bhatia (CEO)

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The GSG Worldwide
Over 20 Countries Joined

- EU
- UK
- ITALY
- FRANCE
- GERMANY
- PORTUGAL
- FINLAND
- ISRAEL

- CANADA
- USA

- MEXICO
- BRAZIL
- ARGENTINA
- URUGUAY
- CHILE

- CENTRAL AMERICA *
- COLOMBIA
- PERU

- SPAIN *
- NETHERLANDS *
- NORDICS
- CEE

- SOUTH AFRICA
- KENYA
- GHANA *
- EGYPT
- ZAMBIA *

- JAPAN
- KOREA
- INDIA
- AUSTRALIA

- BANGLADESH
- NEW ZEALAND
- CHINA *
- MALAYSIA
- INDONESIA
- SINGAPORE

COUNTRY* Joining in 2019
The GSG Challenge

1. Grow GSG member countries from 15 in 2017 to 30 by 2020
2. Touch 1 of 3 poor or 1 bn by 2020, up from 1 of 6 or 500 mn in 2017
3. Grow market size from -150 bn in 2017 to -300 bn by 2020
GSG launched the Impact Weighted Account Initiative to offer the world’s first blueprint for impact-weighted accounts that allow standardized measurement and reporting of impact. It will enable direct comparison between financial accounts and impact weighted financial accounts to provide transparency for positive and negative externalities.
The last G20 2018 Leaders’ Declaration includes an explicit recognition of impact investment as a powerful driver of sustainable and inclusive growth:

“We will endeavor to further create enabling conditions for resource mobilization from public, private and multilateral resources, including innovative financial mechanisms and partnerships, such as impact investment for inclusive and sustainable growth, in line with the G20 Call on Financing for Inclusive Business.”
Ideato da un’azione congiunta del GSG e del NAB indiano, che per sviluppare questo progetto hanno fondato Social Finance India.

Sulla scia dell’esperienza dell’IEOF il GSG insieme a The Education Commission, presieduta da Gordon Brown, e al GSG hanno annunciato L’Educational Outcomes Fund per l’Africa e il Medio Oriente.

Launched by Social Finance India (SF-Ind) to manage the high-profile $1bn India Education Outcomes Fund to build a strong Impact Bonds market and scale up outcome-focused programs in India.

The GSG Outcomes Funds

IEOF
India Education Outcomes Fund

Launch of Social Finance India (SF-Ind) to manage the high-profile $1bn India Education Outcomes Fund to build a strong Impact Bonds market and scale up outcome-focused programs in India.

LAIFF
LatAm Impact Fund of Funds

Leverage GSG’s driving force to bring capital to unlock impact capital, develop stronger intermediaries and impact enterprises, and increase impact investments in the region by a factor of 10 in next 5 years.

EOF
Education Outcomes Fund
Africa & Middle East

Bringing together world leaders in education & impact investing, EOF brings USD 1 billion to establish an Education Outcomes Fund for Africa and Middle East using the pay-for-success (DIBs) funding approach.

IIF
India Impact Fund

UNSIF and GSG are partnering to create a USD $1 Billion Impact Fund for India to help scale and institutionalize smaller NBFCs to provide debt to Impact enterprises and underserved individuals.
Outcomes Funds Structure

1. Investors
2. Investments directed to evidence-based programs
3. OF repays investors if social and environmental results are achieved
4. Return On Investment

Thematic funds
- Fund 1
- Fund 2
- Service
- Service

Target Population

Outcome Fund ($1 billion target)
- Philanthropy
- Corporate CSR Funds
- Public Funds
- Goverments

Impact Assessment

Risk
An Outcome Fund to Fight Climate Change? What if…

Al Gore and David Blood participated to the GSG Summit and together with other investors committed to create a Climate Change Outcomes Fund.
Social Impact Agenda per l’Italia represents Italy in the Global Steering Group for Impact Investment - GSG, an independent global steering group catalyzing impact investment and entrepreneurship to benefit people and planet. The GSG was established in August 2015 as the successor of the Social Impact Investment Taskforce initiated under the UK presidency of the G7.
Social Impact Agenda per l’Italia (SIA) was established to promote expertise on social impact investments and to show it is possible to create a new economy where sustainability and positive social impact are key features.

SIA is an inclusive and open organization that aims to connect all the different entities involved in the challenge of impact investing in Italy: investing for impact and not only for economic gain.
THANK YOU!