

Impact Economies Traction & Trends: Insights from 34 GSG National Partners



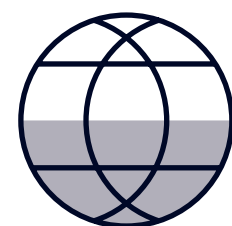
About GSG Impact

GSG Impact is a global not-for-profit organisation, established under the 2013 UK G8 presidency, with the goal to create the infrastructure and incentives for capital to flow for measurable, positive social and environmental impact.

We do this by creating, accrediting and supporting national impact institutions – GSG National Partners. Each National Partner brings together business, finance, non-profit and government to advance our mutual goal in their own countries. Today we are responsible for over 40 National Partners covering 2/3 of the global population. Over 1/2 of our National Partners are in emerging markets, with many more in development.

Collectively GSG Impact and our National Partners work together as the GSG Impact Partnership. We are a powerful global movement, developing innovative impact investment solutions, and driving national and international policy and regulatory change to enable these solutions to be adopted at scale. Expanding, strengthening, and serving the GSG Impact Partnership is the core of our work.

Our vision is that impact becomes a core factor in every investment, business, and government spending decision – driving the transition to economies that prioritise positive social and environmental outcomes. Our mission is to build these ‘impact economies’ across the globe, creating the infrastructure and incentives for capital to flow for the SDGs & climate goals. By leveraging the GSG Impact Partnership locally and globally, we deliver a proven cost-effective pathway to driving positive systemic change.



Today we are
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global population.

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Acknowledgement

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Introduction

The global impact landscape is evolving at an unprecedented pace, driven by the urgent need to address climate change, social inequality, and sustainable economic development. As capital markets increasingly integrate environmental, social, and governance (ESG) factors, **impact investing has transitioned from a niche practice to a mainstream investment strategy**. Governments, financial institutions, and private investors are aligning their capital with measurable social and environmental outcomes, fostering a more inclusive impact economy.

Impact investing ecosystems around the world are evolving in diverse ways, shaped by unique local contexts, priorities, and capacities. Some are advancing policies and scaling capital deployment, while others are building foundational infrastructure and experimenting with innovative approaches. **Country-level developments can offer practical lessons and models that are transferable across borders**. By identifying what works in one ecosystem, stakeholders in another can adapt and apply strategies to accelerate the adoption of impact finance and unlock new opportunities.

To promote shared learning, this report provides concise descriptive profiles of 34 ecosystems,¹ where GSG National Partners are playing a leading role in driving the transition towards an impact economy.² Building on our first country-by-country overview published in 2019, **Transition of Impact Economies**, this edition tracks how these 34 ecosystems are evolving. Each profile presents a snapshot of the country's impact investment ecosystem, including market size, self-assessed market maturity, and key initiatives undertaken by major stakeholders.

This report is intended to inform investors, policymakers, and ecosystem builders by providing actionable insights to accelerate capital deployment and drive systemic change. It highlights how impact investing is evolving across diverse country contexts - not only in developed markets, but also in emerging and developing economies, where local and international actors are co-creating ecosystems. Rather than ranking ecosystems or generating a scoreboard, **the report aims to serve as an ecosystem learning tool and to build confidence in local actors and initiatives**.

¹ While this report features 33 individual country profiles, it also includes a regional profile covering six Central American countries. As a result, the total number of ecosystems analysed is 34. For consistency, the report refers to all markets collectively as "ecosystems."

² The number of ecosystems represented by our National Partners reflects the data available at the time of writing this report. As of March 2025, GSG Impact has 41 national partners across 46 countries.

The report aims to serve as an **ecosystem learning tool** and to **build confidence in local actors and initiatives**.

Methodology

The data for this report draws from GSG Impact’s best practice database³ and contributions from National Partners, who provided additional verification and updates to address any data gaps or discrepancies. This was further supplemented by secondary research. Compiled between late 2024 and early 2025, this report reflects key developments across each ecosystem in recent years. Hence, some ecosystems may experience ongoing developments that extend beyond the publication date.

Each country profile is structured around the key pillars of the impact investing ecosystem:

- 1. Supply and intermediation of impact capital
- 2. Demand for impact capital
- 3. Government and policy
- 4. Market-building.⁴





Figure 1 shows how the country profiles showcase recent developments and initiatives across ecosystem actors, with GSG National Partners playing essential roles in driving progress within each pillar.

³ GSG Impact collects self-reported activities of National Partners and their ecosystems developments through GSG National Partner self-assessment surveys and in-depth interviews every year.

⁴ The five key pillars of impact investing ecosystems were referred in GSG Impact (2018) Catalysing an Impact Investment Ecosystem: A Policymaker’s Toolkit. <https://www.gsgimpact.org/resources/gsg-impact-publications-and-reports/catalysing-an-impact-investment-ecosystem-a-policymaker-s-toolkit/>

⁵ To present country profiles in a more streamlined and accessible format, these two closely related pillars – Supply and Intermediaries – have been combined into a single category. While we acknowledge that separation between supply-side actors and intermediaries can shed more light on identifying a potential domestic supply, a more detailed distinction is beyond the scope of this report.

Figure 1. Country profile by impact investing ecosystem pillars

Pillar	Featured actors	How GSG National Partners (NPs) support
 Supply and intermediation of impact capital ⁵	Actors that provide funding, directly or indirectly, to impact businesses and enable the exchange of impact capital between the supply and demand side. These include institutional investors, banks, development financial institutions (DFIs), philanthropies, fund vehicles, and public stock exchanges.	NPs convene and encourage capital providers to provide catalytic capital and adopt blended finance models, engage with institutional investors to embed impact into mainstream markets, and develop an impact wholesaler or fund-of-funds to mobilise impact capital at scale.
 Demand for impact capital	Businesses and entrepreneurs that provide impact solutions and have financing needs to carry out those solutions. These include entrepreneurs, social enterprises, impact startups, third sector organizations and SMEs.	NPs identify, showcase, and connect these demand sides to appropriate funding sources, while also promoting capacity-building support.
 Government and policy	Public sector actors that serve as regulators, market enablers, and direct capital providers.	NPs engage directly with government bodies, advocate for enabling policies through developing policy papers and taking part in public consultations, and often serve as trusted advisors to ministries and public institutions.
 Market building	Organisations that support the growth of the impact economy without necessarily providing capital. These include financial advisors, academic institutions, industry networks, lawyers, and other ecosystem enablers.	NPs foster a culture of impact by catalysing collaboration and connection through stakeholder convenings, conducting market sizing and ecosystem mapping, and building market evidence through research and sharing global best practices.

The development stage of each pillar was self-assessed by National Partners, drawing on their local expertise and on-the-ground perspective. As shown in Figure 2, The stage descriptions were developed by GSG Impact to ensure consistency across countries, providing a common framework for self-assessment. These assessments are shaped by each country's unique context, including economic conditions, policy environment, and ecosystem maturity, and are therefore not intended for direct comparison across countries. Similarly, while each profile includes an estimate of the country's impact investing market size (where available), these figures are based on different methodologies and timeframes. Rather than indicating size rankings, they aim to signal where capital is currently concentrated within each ecosystem.

Figure 2. Ecosystem stage taxonomy

 Supply and Intermediation of Impact Capital	Pioneering: Few boutique impact investors, DFIs, MFIs, pioneers etc. are piloting solutions and developing new instruments.	Diversifying: Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.	Maturing: A critical mass of investors have joined the market, and mainstream players (e.g., pension funds) are getting involved. Many contending players who want to scale their views or solutions for impact.
 Demand for Impact Capital	Pioneering: Few social entrepreneurs and enterprises are testing out solutions and business models.	Diversifying: Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.	Maturing: A critical mass of impact businesses exist, and mainstream players (e.g., corporates) are getting involved. Many contending players who want to scale their views or solutions for impact.
 Government and Policy	Limited Government Support: Government is often not very involved and does not recognise impact investing as a priority approach. There is no clear regulatory framework yet, and no or few incentives or requirements. There may be major regulatory obstacles.	Growing Government Support: Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles. Government capacity and political support may still be limited.	Established Government Support: Government as one of the most important partners for scale, recognises impact investing as the way forward and integrates it in its strategy and policies. Proactively seeks feedback from the market and works to address regulatory hurdles.

Top cross-cutting insights

We have analysed prominent trends and insights emerging across ecosystems, focusing on critical stakeholders, mechanisms, and vehicles shaping the global impact investment landscape. The below trends were identified. We also highlight notable examples.

1. Impact economies are becoming national strategies

Many governments are increasingly embedding impact investing into national development plans and policy agendas, signalling a shift from isolated initiatives to long-term strategic priorities.

The 12th National Development Plan of **Türkiye** highlights impact investing as a key strategy for sustainable and inclusive growth, promoting policies to support social enterprises, establish regulatory frameworks, and engage the private sector in addressing societal challenges. Similarly, in **Zambia**, impact investments were recognised as one of the key alternative sources of financing for the activities proposed in the country's 8th National Development Plan.

At a more advanced level, some ecosystems have launched national strategies for impact investing. In **Brazil**, the Federal Government introduced a ten-year National Impact Economy Strategy aimed to expand impact capital tenfold and implement the strategy nationwide.

2. Impact investment wholesalers are increasing the pool of domestic impact capital and strengthening market capacity.

Impact investment wholesalers - impact investment vehicles that invest in intermediaries - attract new capital and build the impact investment market. These wholesalers typically provide flexible, patient capital to intermediaries (e.g., fund managers and social lenders) and can de-risk investments for co-investors.⁶

A notable innovative practice is funding wholesalers with dormant accounts (unclaimed assets). Such vehicles, inspired by models like the **United Kingdom's** Better Society Capital, have been emulated elsewhere. **Japan's** impact wholesaler, JANPIA, was established in 2019 to channel dormant bank assets into grants for social enterprises and nonprofits. **Germany** is also exploring legislation to use dormant accounts to finance an impact investment wholesale fund.

Most wholesalers involve strong public sector support, either via funding or policy. **Portugal's** impact wholesaler was established by the Ministry of Territorial Cohesion in 2014, mobilising EUR 152 million from EU structural funds.

⁶ To learn more about impact investment wholesalers and fund-of-funds, see <https://www.gsgimpact.org/resources/publications-and-reports/impact-investment-wholesalers-and-fund-of-funds-design-insights-from-the-gsg-impact-partnership/>

3. Governments are increasingly adopting outcome-based financing mechanisms.

Outcome-based financing (OBF) mechanisms – notably Social Impact Bonds (SIBs) and Outcomes Funds – are gaining traction as governments seek to tie funding to measurable results. OBF mechanisms address social and environmental issues by attracting private capital and repaying investors based on achieved outcomes.⁷

This pay-for-results approach is moving from experimental pilots toward more institutionalised strategies in some regions. For example, **Colombia** pioneered Latin America's first SIB and Outcomes Fund to boost employment for vulnerable groups, and the government launched a National Pay-for-Results Strategy in 2024 to mainstream outcome contracting in public programs. Similarly, Nuevo León, a state of **Mexico**, launched the SIB aimed to improve the lives of 500 disadvantaged youth by providing job training.

Furthermore, OBF contracts empower governments to transfer the financial risk of funding interventions to investors, enabling them to drive a greater number of social interventions using external capital. In **Canada**, for example, over USD 14.5 million has been mobilised through OBF transactions since 2023, reaching more than 10,000 beneficiaries. These initiatives have been primarily driven by provincial governments, with a focus on healthcare, education, and nature conservation.

⁷ To learn more about challenges and recommendations for governments to adopt outcome-based partnerships models, see <https://www.gsgimpact.org/resources/gsg-impact-publications-and-reports/challenges-in-scaling-outcomes-partnerships-in-government-and-strategies-for-success/>

⁸ To learn more about Green, Social, Sustainability and Sustainability-linked (GSSS) Bonds, see <https://www.gsgimpact.org/media/x0ln3tuj/financing-sdgs-in-emerging-markets.pdf>

4. Green bonds and sustainability-linked bonds are becoming mainstream instruments for raising capital for environmental and social projects.

Green bonds, other sustainability-themed bonds (e.g., blue bonds), and sustainability-linked bonds have become mainstream instruments to crowd-in capital into climate and social investments.⁸

Sovereigns lead the green bond markets with the development of the national green finance frameworks and taxonomies. In 2019, **Chile** issued Latin America's first sovereign green bonds and became one of the largest emerging-market issuers, later floating a USD 2 billion sustainability-linked bond in 2022. **Nigeria** was an early adopter in Africa; its Federal Ministry of Environment issued a Green Bond Framework in 2017 that defined eligible project categories and guided multiple sovereign green bond issuances.

Private-sector and development banks' issuance is also noteworthy. In early 2023 in **Belgium**, two major institutions demonstrated green bond potential – the Colruyt Group's €250 million green bond was fully subscribed in 24 hours, and insurer Ethias issued a 10-year €250 million green bond. **Peru's** development bank has issued various thematic bonds – including social, green, sustainable, and blue bonds – raising over USD 26.5 million in 2023 to fund impact projects.

5. Global sustainability disclosure standards are advancing impact transparency.

Ecosystems are aligning with international sustainability disclosure standards, notably the IFRS Sustainability Disclosure Standards (S1 and S2) released by the ISSB. This push for transparency aims to improve comparability of ESG and impact data, build credibility in the market, and prevent impact washing.⁹

Following this effort, **Türkiye** has made sustainability reporting mandatory for companies and financial institutions that meet specific thresholds, aligning with the ISSB standards. **Brazil**'s Securities and Exchange Commission announced that by 2026 all listed companies and investment funds must publish reports in accordance with IFRS S1 and S2, which cover general sustainability and climate-related disclosures.

In the **United States**, new legislation now requires companies to disclose their Scope 1 and Scope 2 greenhouse gas emissions – a key component of climate-related reporting under ISSB S2 and other global frameworks.

6. Institutional and retail capital are increasingly being unlocked for impact.

With their long-term investment approach and 'universal ownership' of all asset classes across sectors, pension funds and other institutional capitals are powerful drivers of impact investment in each ecosystem. Their involvement in impact deals and funds is growing, though the extent varies by country, and legal clarity remains a critical enabler.¹⁰

The **United Kingdom** has seen a significant increase in local government pension schemes investments in place-based impact initiatives. In the **Netherlands**, pension funds have collectively allocated EUR 75.5 billion in impact-focused assets, accounting for 4-6% of Dutch AUM and over 40% of Dutch impact investment AUM.

Regulatory reform is key to unlocking retail savings for impact finance. In **France**, regulation has obliged all companies with more than 50 employees to offer '90/10 funds' in employee savings plans, which allocate 5-10% of assets to accredited social enterprises. In **New Zealand**, advocacy efforts are underway to remove barriers that limit KiwiSaver schemes from investing in private, sustainability-themed assets, aiming to align retirement savings with long-term impact goals.

⁹ To learn more about the global progress on impact transparency, see <https://www.gsgimpact.org/resources/gsg-impact-publications-and-reports/the-impact-taskforce-state-of-play-2023/>

¹⁰ To learn more about pension funds' role in impact investing, see <https://www.gsgimpact.org/resources/gsg-impact-publications-and-reports/pensions-and-impact-investing-how-are-gsg-national-partners-engaging-with-pension-funds-to-advance-the-market/>

7. State-owned development institutions are a growing catalyst for impact investment in emerging and domestic markets.

Development finance institutions (DFIs) and international development agencies are one of the main impact capital suppliers in both emerging and domestic markets. As public impact investors, they directly fund impact-driven projects, crowd in private capital to the impact sector, and shape supportive policy frameworks.¹¹

In **Spain**, its DFI, COFIDES, launched a EUR 400 million Social Impact Fund to scale domestic impact investment and strengthen the social entrepreneurship ecosystem. In **Norway**, the state-owned investment companies manage 26% of the country's total impact investment assets (NOK 27.1 billion). In **South Korea**, its international development agency, KOICA, has piloted innovative financing approaches, including a USD 1 million commitment to Sierra Leon's education programme in partnership with the Education Outcomes Fund. **Australia's** Department of Foreign Affairs and Trade launched its AUD 250 million wholesaler in 2023, to provide capital to SMEs in emerging markets.

8. Investment readiness programmes are key to strengthening impact demand.

Across ecosystems, there is significant emphasis on accelerators, incubators, technical assistance, and other capacity-building programmes to grow the pipeline of viable impact projects. In nascent markets, building the demand side often precedes or coincides with expanding the supply of capital.

Train-the-trainer models are prominent to build capacity among enterprise support organisations (ESOs). In **Ghana**, ESO Collaborative was established to increase the quality and quantity of local ESOs and launched a pooled fund to strengthen ESOs through grants for pipeline building. **South Africa's** forthcoming Accelerate-the-Accelerator programme is being developed by UNDP Accelerator Labs.

Some ecosystems utilise its mature startup and innovation ecosystems' infrastructure capacity building the demand side. In **Israel**, diverse tech venture-building programmes support developing investible tech solutions for social and environmental problems in both Israel and emerging markets.

¹¹ To learn more about the roles of DFIs and other public institutions role in achieving SDGs, see https://www.gsgimpact.org/media/ycrllamn/time_to_accelerate_gsg.pdf.

Country Profiles

Africa

Africa

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Ecosystem Overview

The investment ecosystem in Ghana has evolved steadily over the years to encompass a diverse range of capital providers, including development finance institutions, venture capital and private equity funds, commercial banks, and microfinance companies, among others.¹ Financing for SMEs, identified as a key driver of SDG progress,² has attracted over US\$1.7 billion across 72 schemes between 2004 and 2021, with more than half deemed catalytic.³

Venture capital and private equity AUM grew from USD 402 million in 2004 to USD 6.9 billion by 2023, though only 2.4% is locally focused.⁴ Pension fund assets, valued at over US\$5 billion in 2022, demonstrate further investment potential, growing annually by over 20% in local currency terms.

Despite these advancements, Ghana faces significant challenges, including a USD 4.8 billion SME financing gap and a USD 43 billion annual SDG financing gap through 2030. High inflation, prohibitive interest rates, and a weak local currency exacerbate the situation. Addressing these gaps requires coordinated efforts to improve data availability, mobilize catalytic capital, strengthen policy support, and enhance ecosystem infrastructure to enable impactful and sustainable investment.



GSG National Partner in in Ghana has been represented by Impact Investing Ghana (IIGh) since 2019 and is composed of 19 members as of 2024.

¹Impact Investing Ghana (2022). Impact Investing in Ghana: Unlocking Private Sector Capital for Profit and Impact, <https://impactinvestinggh.org/publications/the-state-of-impact-investing-in-ghana-unlocking-private-sector-capital-for-profit-and-impact-22/>

²Integrated National Financing Frameworks (2021). Country Financing Roadmap for the SDGs. <https://inff.org/resource/ghana-country-financing-roadmap-for-the-sdgs#:~:text=The%20Country%20Financing%20Roadmap%20>

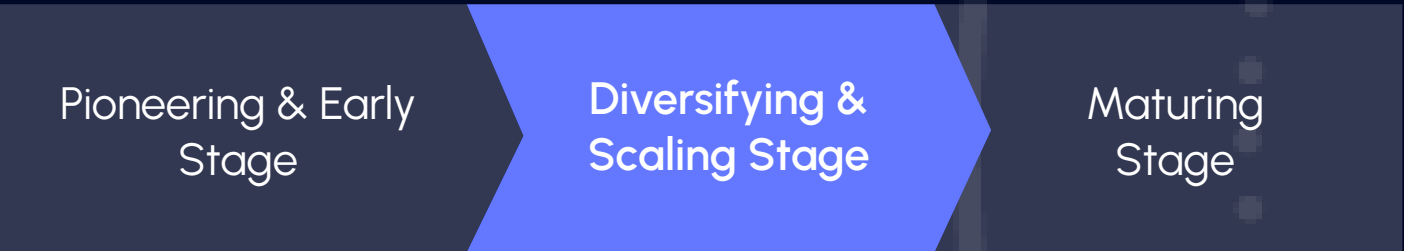
³Impact Investing Ghana (2022). Catalytic Capital Investments in Ghanaian SMEs: Strategies, Hurdles and Outcomes. <https://impactinvestinggh.org/publications/catalytic-capital-investment-in-ghanaian-smes-strategies-hurdles-and-outcomes-report/>

⁴Impact Investing Ghana and Ghana Venture Capital Association (2023), The State of Venture Capital and Private Equity in Ghana 1991-2023, https://impactinvestinggh.org/report/impact-investing-ghana-and-gvca-launch-baseline-report-on-venture-capital-and-private-equity-in-ghana/#new_tab

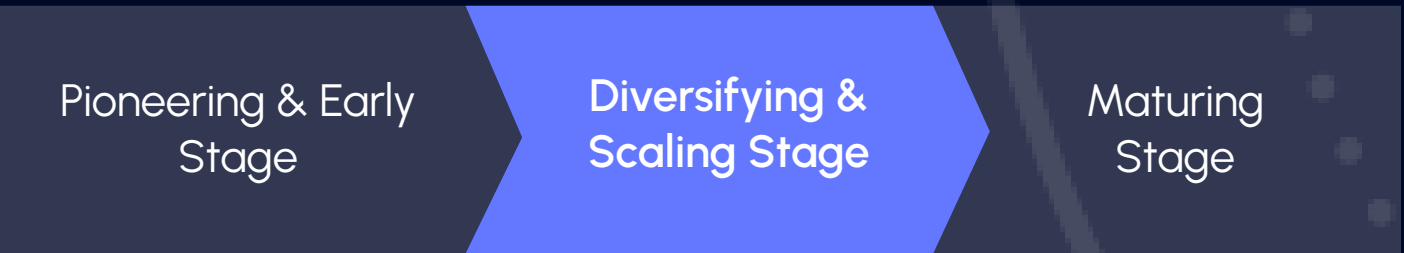
Impact Investment Market Size as of 2019⁵:
USD 1.41 billion

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

- Ci-Gaba Fund of Funds
- Pension Industry Collaborative
- Ghana Angel Investor Network
- ESO Collaborative
- Deal Source Africa
- Ghana Green Finance Taxonomy

⁵This is the estimates for capital deployed (not market size). The market size is likely to be significantly higher as Ghana has established a US\$1billion development bank among other initiatives. AVPA (2020). The landscape for social investments in West Africa. https://www.intellecap.com/wp-content/uploads/2020/11/The-Landscape-of-Social-Investments_West-Africa.pdf

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- The first private sector-led fund of funds, the **Ci-Gaba Fund of Funds**, has been launched to mobilise local pension funding for impact. This \$75 million blended finance vehicle will mobilise funding from catalytic capital providers and local asset owners, primarily pensions, to invest in venture funds and SMEs who are advancing the SDGs.⁶ Ci-Gaba has obtained regulatory approval from Ghana's Security and Exchange Committee (SEC) and aims to achieve a first close of US\$30 million by the end of December 2025.
- IIGh, through its **Pensions Industry Collaborative**, is creating a comprehensive capacity-building programme, Ghana Pensions Alternative Investments Course, for local pension funds to help them allocate assets to alternative investments like private equity and venture capital, with a goal of securing US\$250 million in allocations over the next three years. Two pensions training workshops have been successfully run as part of the pilot, towards the development of the comprehensive programme.
- The **Ghana Angel Investor Network** (GAIN) focuses on growing angel investor networks in Ghana to augment the supply of early-stage finance. Initiatives under this include capacity-building workshops for angel investors to equip them with knowledge and skills to navigate investment decision-making in the start-up scene.

⁶To learn more, see GSG Impact (2024). Impact Investment Wholesalers and Fund of Funds. <https://www.gsgimpact.org/resources/publications-and-reports/impact-investment-wholesalers-and-fund-of-funds-design-insights-from-the-gsg-impact-partnership/>.



Demand for Impact Capital

Diversifying/Scaling Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- In 2023, the **Enterprise Support Organisation (ESO) Collaborative** was set up to increase the quality and quantity of enterprise support programmes in Ghana. The pilot programme supported 12 ESOs, which in turn assisted 208 SMEs, generating additional revenue, enhancing governance, financial management, and data-tracking systems, and developing more inclusive programmes. The Collaborative will soon launch a USD 16.5 million **ESO Collaborative Pooled Fund** to strengthen ESOs through grants for pipeline building and provide pre-seed funding for high-growth potential businesses, particularly those supported by ESOs.
- **Deal Source Africa**, a programme of IIGh and Impact Investors Foundation, Nigeria, connects businesses to investors across Africa through curated matchmaking sessions, both virtual and in-person, and links businesses to transaction advisors for support. Two years since its launch, the program has facilitated over \$1.9 million in funding for six businesses and connected over 205 businesses to investors. Looking ahead, the platform aims to include financiers beyond private equity and venture capital, such as banks and project financiers, and continue to expand regionally.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Investor	SDGs	
Injaro Ghana	17.5 million	Minerals Income Investment Fund Ghana, Stanbic Investment Management Services, PETRA Securities, and Databank Group	9 INDUSTRY INNOVATION AND INFRASTRUCTURE	2 ZERO HUNGER
Mirepa Capital	10.5 million	Venture Capital Trust Fund (VCTF), Petra Trust, Axis Pensions, and CAL Asset Management Company Limited (CAMCOL)	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION

Key Developments



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles. Government capacity and political support may still be limited.

- In 2024, the Ministry of Finance, in collaboration with international technical partners including GIZ and FSD Africa, launched the first phase of **Ghana Green Finance Taxonomy**. As West Africa's first green taxonomy, this strategic framework aims to direct investments toward building a sustainable and climate-resilient economy. There are a number of policy initiatives from government and regulatory institutions in the area of climate finance and sustainability, including the **Security and Exchange Commission's Green Bond Guidelines**, the **Bank of Ghana's (central bank) Sustainable Banking Principles and Sector Guidance Notes** and the **Institute of Chartered Accountants IFRS Sustainability Disclosure Adoption Roadmap for Ghana**.



Market Building

- The **Africa Impact Investing Group** (AIIG), a regional collaboration of the GSG African NPs, advances continent-wide impact investing through policy advocacy, ecosystem collaboration, catalytic capital mobilisation, and knowledge sharing. Its **2025 Africa Impact Summit** will be hosted by IIGH and Impact Investors Foundation (IIF), Nigeria in Accra and Lagos, engaging 400+ stakeholders to enhance impact investing.
- IIGH with support from the **Ghana Investment Support Programme** (GhISP) of British International Investment (BII), has delivered training programmes for transaction advisors to build their capacity to better support investment readiness of businesses. To further enhance investment readiness, IIGH has piloted a transaction subsidy program to cover part of the cost of these services.
- **Ghana Research and Industry Collaborative** (GRIC) was launched in 2023 to fill key gaps that were preventing research and innovation from higher-education and applied research institutions from being commercialised. GRIC connects research and industry to ensure research uptake by translating commercially relevant research output into industry-friendly formats, facilitating research commercialisation and supporting research-industry engagements through industry briefs, learning workshops and an annual GRIC forum.

Publication highlight

[Impact Investing Ghana & Ghana Venture Capital and Private Equity Association \(2024\). State of Venture Capital and Private Equity in Ghana Baseline Report \(2019-2021\).](#)

[Impact Investing Ghana \(2022\). Impact Investing in Ghana: Unlocking Private Sector Capital for Profit and Impact](#)



Ecosystem Overview

Kenya's financial system is relatively well developed for a country at its income level and also compared with many other developing economies. As the largest economy in East Africa mainly driven by the service industry, Kenya remains an attractive destination for foreign direct investment in Africa. However, high national debt and limited fiscal space due to reduced tax revenues constrain public sector investment capacity.

Impact investments in Kenya total approximately USD 3.65 billion, representing nearly half of the region's impact capital. Growth opportunities remain substantial, particularly in expanding investments beyond the currently dominant fintech and energy sectors into critical areas like agriculture and education. Pension funds, supported by multilateral organisations and government initiatives, are increasingly participating in impact investing.

Impact investment knowledge is concentrated on VC/PE firms and a handful of international foundations with a footprint in Kenya. Within the private sector, most impact investments flow to the fintech and energy sectors leaving at the behest of some key sectors that have multiplier effects to the economy such as agriculture and education.



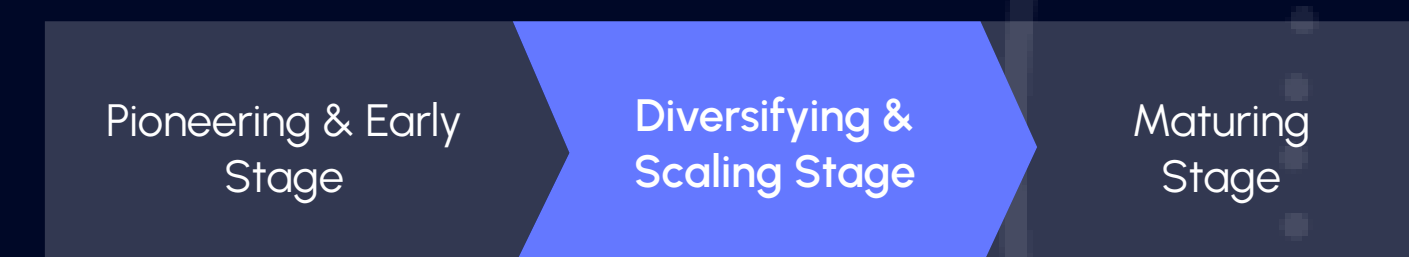
GSG National Partner in Kenya has been represented by **Impact Investment Kenya** since 2024 and comprises 11 members as of 2024.

Impact Investment Market Size as of 2015¹:

USD 3.65 billion

Ecosystem Stage At A Glance

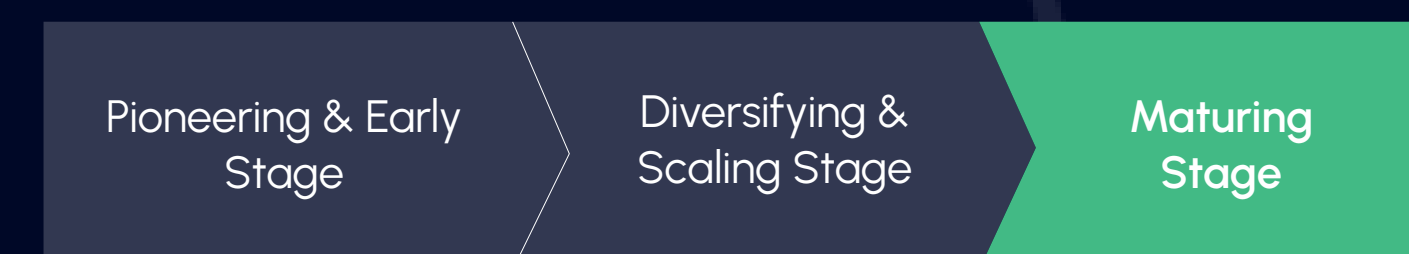
Supply and Intermediation of Impact Capital



Kenya Pension Funds
Investment Consortium

Climate bond

Demand for Impact Capital



Kenya Private Sector
Alliance

Government and Policy



Kenya Credit Guarantee
Company

Financial Inclusion Fund

¹GIIN (2015). The landscape for impact investing in East Africa. <https://s3.amazonaws.com/giin-web-assets/giin/assets/publication/research/01executivesummary-giin-eastafrika-digital.pdf>

Key Developments



Supply and Intermediation of Impact Capital

- Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.
- **Kenya Pension Funds Investment Consortium** (KEPFIC), launched in 2020, is a consortium of prominent Kenyan retirement funds working together to collectively make long-term infrastructure and alternative asset investments in the region. Currently USD 5 billion in assets, KEPFIC **has mobilised \$113 million** into two housing projects, with a third project in road infrastructure in the pipeline.
 - Acorn Holdings, a Kenyan real estate company, raised around USD 40 billion through a use-of-proceed bond to finance green and environmentally-friendly accommodation for 500 university students in Nairobi. This **first climate bond** in Kenya was certified under the Climate Bond Initiative's Climate Bond Standard and Certification Scheme, which ensures that bonds are aligned with a 1.5C warming limit from the Paris Agreement.



Demand for Impact Capital

- Scaling/Maturing

A critical mass of impact businesses exists and mainstream players (e.g., corporates) are getting involved. Many contending players who want to scale their views or solutions for impact.
- **Kenya Private Sector Alliance** (KEPSA), a member of Impact Investment Kenya, provides capacity building programmes for the entrepreneurs. Its **Jiinue Growth Program**, in partnership with the Mastercard Foundation, aims to bridge the funding gap for MSMEs in Kenya by providing technical assistance. The **Digital Skills Employment Advance Project**, co-developed with Microsoft, trained and placed thousands of youth in the digital economy, contributing to Kenya's growing ICT sector.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Type of Funding	Investor	SDGs	
Special Purpose Vehicles (SPVs)	\$155 billion	Debt	Kenya Pension Fund Investment Consortium (KEPFIC)	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Safaricom PLC	\$117 million	Sustainability linked Bond (private capital markets)	Commercial banks (KCB, ABSA, Standard Chartered Kenya and Stanbic)	7 AFFORDABLE AND CLEAN ENERGY	13 CLIMATE ACTION
CPF Financial Services	\$23 million	Sukuk Bond (Public capital markets)	Retail/ Institutional	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	17 PARTNERSHIPS FOR THE GOALS
Triggerise, National and County governments	\$10.1 million	Development Impact Bond	UN agencies, CIFF, Bridges Partnership	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION

Key Developments



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles.

- The Treasury is advancing the establishment of a **Kenya Credit Guarantee Company** after initial piloting of the Credit Guarantee Scheme. The refined scheme aims to significantly enhance credit flow to SMEs, addressing the financing gap for MSMEs that need at least Sh4 trillion (USD 30 billion) and aligning with broader national economic recovery strategies.
- The **Public Financial Management (Financial Inclusion Fund) Regulation** in 2022 enabled the establishment of the financial inclusion fund to enhance financial accessibility for individuals and enterprises at the lower end of the economic spectrum, often termed the 'bottom of the pyramid.'



Market Building

- **East Africa Philanthropy Network** (EAPN) launched and expanded its working group focused specifically on impact investments, creating strategic collaborations among regional philanthropic organizations and impact investors to increase resource mobilization and deployment.
- **East Africa Venture Capital Association** (EAVCA) is a business membership organisation that serves as the voice of private capital investors in East Africa, presenting development finance institutions (DFIs), private equity and venture capital funds, family offices, and impact investors. EAVCA connects its members through annual summits, facilitating collaboration and investment deal-making for impact.

Publication highlight

[Impact Investment Chair \(2024\). Impact investing in Africa: a 2024 analytical map.](#)



Ecosystem Overview

Nigeria, a federation of 36 states and the Federal Capital Territory, has enjoyed 25 years of democratic stability. From 2000 to 2014, its economy grew over 7% annually, driven by reforms and favorable conditions, but growth slowed between 2015 and 2022 due to fiscal deficits, trade protectionism, and COVID-19. In 2023, the Bola Tinubu administration initiated bold reforms, including fuel subsidy removal and Naira depreciation, causing inflation to rise to 28.9% (headline) and 33.9% (food). Structural issues like infrastructure deficits, insecurity, and climate change persist, though improved investor confidence signals growth potential.

Nigeria has seen increased recognition of impact investing, with capital deployed growing significantly between 2015 and 2019 before a pandemic-induced decline. The National Development Plan (2021–2025) emphasises sectors like renewable energy, circular economy, and disaster management to enhance impact investment.

The Nigeria Office for Philanthropy & Impact Investing have played a crucial role in aligning philanthropy and investment priorities through public-private partnerships. Their advocacy for MSME financing via tax incentives and streamlined regulations highlights their impact. However, stronger collaboration and stakeholder engagement are needed, influencing impact investment policy development.



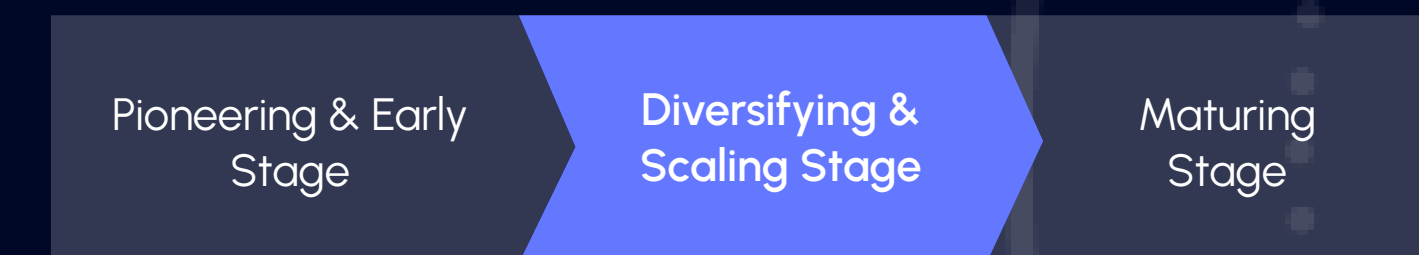
GSG National Partner in Nigeria has been represented by the **Nigerian NABII** since 2021 and is composed of 51 members as of 2024.

Impact Investment Market Size as of 2019¹:

USD 4.7 billion

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Wholesale Impact Investment Fund

DealSource Africa

ESO Collaborative

Green Bond Framework

¹ Nigerian Economic Summit Group. (2024). The State of the Economy in H1 - 2024. NESG. <https://www.nesgroup.org>

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- The **Wholesale Impact Investment Fund** (WIIF), a \$1 billion fund-of-funds with a first close target of USD 100 million, is under establishment by Nigerian NABII to finance social enterprises and micro, small, and medium-scale enterprises across Nigeria.² The WIIF will be denominated in Naira to provide local currency capital for local impact investing fund managers. The Nigerian NABII secured a government pledge of USD 50 million, which constitutes 50% of the wholesaler's initial seed capital.³ Kuramo Capital Management LLC will be the official fund manager for the WIIF.

² To learn more, see GSG Impact (2024). Impact Investment Wholesalers and Fund of Funds. <https://www.gsgimpact.org/resources/publications-and-reports/impact-investment-wholesalers-and-fund-of-funds-design-insights-from-the-gsg-impact-partnership/>
³ https://punchng.com/fg-to-provide-50-capital-to-facilitate-lbn-investment-fund/?mc_cid=a-47386b56f&mc_eid=c11243b54b



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- **DealSource Africa**, a deal-sourcing platform launched by Impact Investing Ghana (GSG Ghana NP) and Nigerian NABII, provides investors with direct access to a curated pipeline of businesses that align with their investment criteria and funding needs. Supported by the **Research and Innovation Systems for Africa** (RISA) Fund, the platform has closed over \$ 1.7 million in deals since its inception, facilitating connections between impact funds and limited partners.
- With funding from RISA, **Nigeria Enterprise Support Organizations (ESOs) Collaborative** was launched by the Nigerian NABII to strengthen the capacity of Nigerian businesses to become investment-ready and access funding. Members of the Collaborative have received capacity building and will introduce innovative solutions for 2025, such as setting up a pool of funds to enhance their ability to support SMEs.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Type of Funding	Investor	SDGs
Watt Renewable Corporation	13 million	Debt Financing	Empower New Energy	7 AFFORDABLE AND CLEAN ENERGY
EHA Clinics	2 million	Equity Investment	eHealth Africa	3 GOOD HEALTH AND WELL-BEING
VestedWorld	10 million	Series A	Mastercard Africa Growth Fund	8 DECENT WORK AND ECONOMIC GROWTH
Aruwa Capital	2.2 million	Series B	Mastercard Africa Growth Fund	2 ZERO HUNGER 3 GOOD HEALTH AND WELL-BEING
Klass	1 million	Series A	Ingressive Capital	4 QUALITY EDUCATION

Key Developments



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles.

- In 2017, Nigeria's Federal Ministry of Environment issued a **Green Bond Framework** detailing eligible project categories, evaluation and selection processes, fund management, and reporting mechanisms. The framework, updated for the second green bond issuance, outlines five eligible project categories—energy efficiency, resource efficiency, renewable energy, clean technology, and sustainable forest management—each linked to specific NDC targets with detailed project descriptions for financing under these categories.

The Federal Executive Council approved the **Nigeria Investment Policy (2023-2027)** and the **Trade Policy of Nigeria (2023-2027)**, which aim to diversify Nigeria's economy, improve the investment climate, and align trade policies with global trends for inclusive growth and sustainable development.

The **Nigeria Office for Philanthropy & Impact Investing** (NPO), established within the Office of the Vice President in 2024, serves as a private-led coordinating body. Its mission is to catalyse high-level philanthropic support for MSMEs in sectors with strong job creation potential, driving economic growth through targeted investments.



Market Building

- The Nigerian NABII established the **Nigerian Impact Investing Research Industry Collaborative** (NIIRIC) to bridge the gap between academic research and practical application in Nigeria's impact investing ecosystem. Using evidence-based research and strategic advocacy, NIIRIC works closely with government ministries and regulatory bodies to create policies that support the sector's growth.

Publication highlight

Nigeria NABII (2022). Nigeria Impact Investing Landscape.



Ecosystem Overview

Impact assets managed in the Sub-Saharan African region totalled \$24 million at the end of 2023, growing at a CAGR of 11% from 2019.¹ Within this landscape, **South Africa remains the country with the largest amount of assets in USD dedicated to one or more IFI strategies, followed by Nigeria and Kenya.**²

The South African impact investment market is characterised by a variety of impact strategies, with ESG integration being the most prevalent (54%), followed by screening (37%), investor engagement (22%), sustainability-themed investments (8%), and impact investments (7%).³

In Sub-Saharan Africa, 145 funds reported employing an impact investing approach at the time of the study, with **120 funds headquartered in South Africa,**⁴ underscoring the country's central role in driving the regional impact investing ecosystem.



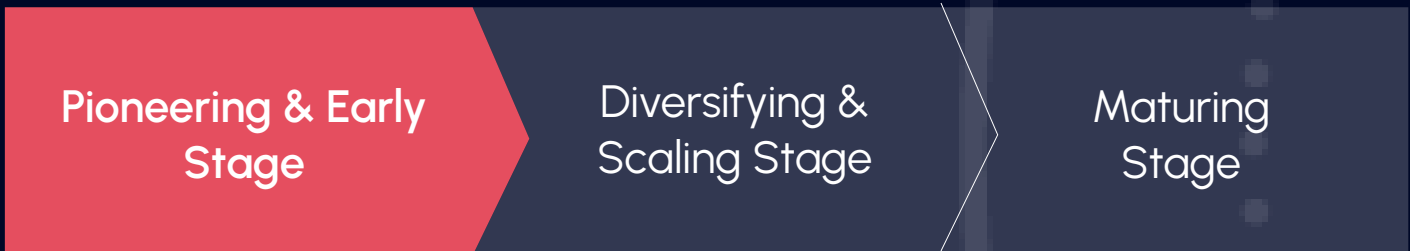
GSG National Partner in South Africa has been represented by **Impact Investing South Africa** (IISA) since 2018 and is composed of over 100 members as of 2024.

¹ <https://s3.amazonaws.com/giin-web-assets/giin/assets/publication/giin-stateofthemarket2024-report-2024.pdf> (p.21)
² <https://riscura.com/insights/research/riscura-and-uctgsb-launch-sixth-african-investing-for-impact-barometer/>
³ <https://www.riscura.com/wp-content/uploads/2022/05/African-Investing-for-Impact-Barometer.pdf> (p.8)
⁴ <https://www.riscura.com/wp-content/uploads/2022/05/African-Investing-for-Impact-Barometer.pdf> (p.8)

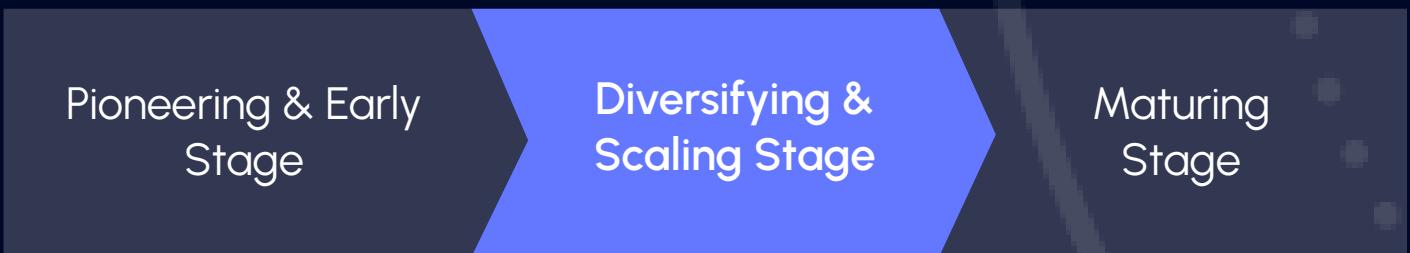
Impact Investment Market Size as of 2021⁵:
USD 44.36 billion

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

- Trust for Urban Housing Finance
- UNDP South Africa Accelerator Lab
- Demand-side working group
- Accelerate-the-Accelerator
- Green Finance Taxonomy
- Social Outcome-based Contract
- Wildlife Conservation Bond

⁵ This figure represents Southern Africa's regional market AUM, although South Africa accounts for the majority. RISCURA (2022). The African Investing for Impact Barometer (6th edition). <https://riscura.com/wp-content/uploads/2023/06/African-Investing-for-Impact-Barometer.pdf>

Key Developments



Supply and Intermediation of Impact Capital

Pioneering/Early stage

Few boutique impact investors, DFIs, MFIs, pioneers etc. are piloting solutions and developing new instruments.

- The **Trust for Urban Housing Finance** (TUHF), a commercial property finance company in South Africa, launched the country's first R2.5 billion social bond in partnership with Standard Bank in 2021.⁶ This bond has played a crucial role in bridging the financing gap for non-traditional entrepreneurs, enabling the development of affordable housing projects in deteriorating urban centres and informal townships. By the end of 2022, the loan facility was increased by an additional R1 billion.

⁶IISA (2023). Case Study: Trust for Urban Housing Finance. https://www.tuhf.co.za/wp-content/uploads/2023/10/IISA-TUHF-Case-Study_2023.pdf



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- UNDP and IISA's **Demand Side working group** on demand and developed an accelerator programme, **UNDP South Africa Accelerator Lab**, focused on tech innovation in the food, energy, and water sectors given South Africa's challenges in all three sectors.
- The Demand Side working group is currently working on launching the Accelerate-the-Accelerator Programme which tackles key challenges for local **Business Support Organisations** (BSOs), including capacity-building, funding access, and tailored impact training. The initial work was presented at the **SAMEA 9th Biennial Conference 2024** highlighting the critical need for working capital and capacity development.



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles.

- South Africa's **Green Finance Taxonomy**, launched on April 1, 2022, was developed under the South African Sustainable Finance Initiative. It is the only green taxonomy in Africa and serves as a pioneering framework for sustainable finance. South Africa also plans to expand this taxonomy to include a social and just transition taxonomy and a brown taxonomy, aiming to provide a comprehensive and inclusive framework for sustainability.
- Recent developments in terms of Social Impact Bonds in South Africa include the Imagine **Social Outcomes-Based Contract** (SOBC) and the **Wildlife Conservation Bond** (Rhino Bond). The Imagine SOBC focuses on improving health outcomes for over 46,000 vulnerable adolescent girls and young women in 14 schools across two regions, addressing HIV prevention, contraceptive access, and health engagement. Meanwhile, the Rhino Bond aims to enhance rhino population growth in Addo Elephant National Park and Great Fish River Nature Reserve by linking investor returns to conservation success, incentivizing effective management of these critical ecosystems.

Key Developments



Market Building

- IISA has released **Impact Investing: A Handbook for Foundations**, an initiative by the **Foundations working group**, produced by Krutham and funded by the SAB Foundation, FirstRand Empowerment Foundation and Standard Bank Tutuwa Community Foundation. This comprehensive guide is designed for philanthropic funders, offering tools to maximise impact beyond traditional grant funding.
- IISA's **Impact Measurement and Management** (IMM) working group standardised IMM practices for the South Africa Just Energy Transition Project (JETP) and developed a roadmap for a low-carbon economy, in collaboration with the **South African Monitoring and Evaluation Association** (SAMEA).

Publication highlights

RISCURA (2022). The African Investing for Impact Barometer (6th edition). <https://riscura.com/wp-content/uploads/2023/06/African-Investing-for-Impact-Barometer.pdf>



IISA (2024). Impact Investing: A Handbook for Foundations. https://www.impactinvestingsa.co.za/wp-content/uploads/Impact-Investing-for-Foundations_FINAL.pdf



Ecosystem Overview

Zambia's impact investment ecosystem demonstrates a strong sense of optimism among investors, particularly in **sectors like Renewable Energy, Sustainable Agriculture, Financial Services, and the Environment** despite macroeconomic challenges, including elevated debt levels and volatile copper prices. The ecosystem is developing, with investors eager to allocate capital; however, they need more scalable and high-impact ventures.

Recent trends indicate a heightened focus on Renewable Energy, largely driven by the necessity to diversify the energy portfolio. Additionally, the positive relationship between government initiatives and investment interest suggests a promising outlook for small and growing businesses focusing on positively contributing towards the UN SDGs.

While there have been challenges regarding limited government engagement and a lack of recognition of impact investing as a priority approach, it is important to acknowledge the positive strides being made in the regulatory environment. The establishment of the Ministry of Green Economy and Environment, for instance, demonstrates a commitment to promoting green initiatives. **Significant policy and regulatory enhancements are essential to tackle issues such as the need for harmonisation, inconsistencies in pricing, and protracted approval processes.**¹



GSG National Partner in Zambia has been represented by **NABII Zambia** since 2019 and is composed of over 33 members as of 2024.

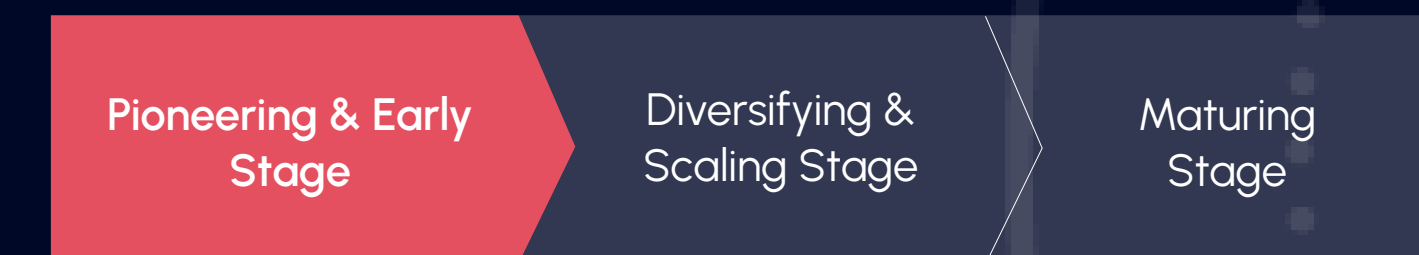
¹NABII Zambia (2023). Zambia Impact Investment Climate Survey Report 2022. https://prospero.co.zm/app/uploads/2023/03/ZIICS-2022-Report_Final-1.pdf

Impact Investment Market Size as of 2024²:

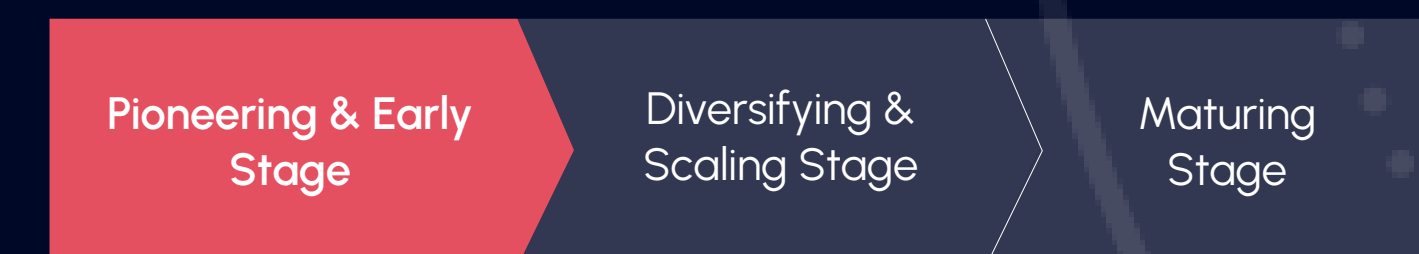
USD 618 million

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Small Business Growth Initiative

Zambia Impact Investing Summit

National Development Plan

Capital Adequacy Ratio requirements

²NABII Zambia (2021). Zambia Impact Investment Market Sizing Study 2021. https://www.nabii.org.zm/downloads/reports/impact_investment_market_size_2021.pdf

Key Developments



Supply and Intermediation of Impact Capital

Pioneering/Early stage

Few boutique impact investors, DFIs, MFIs, pioneers etc. are piloting solutions and developing new instruments.

- In 2024, the Bank of Zambia (BOZ) launched the **Small Business Growth Initiative** (SBGI), providing ZMW 5 billion (~USD 180 million) **catalytic capital** to improve MSMEs' access to affordable finance. The SBGI will offer capital relief and attract third-party investments, delivering funding through banks and non-bank financial institutions, such as leasing and factoring companies. The initiative has been supported by NABII Zambia and is expected to be operational by early 2025.³

³To learn more, see GSG Impact (2024). Impact Investment Wholesalers and Fund of Funds. <https://www.gsgimpact.org/resources/publications-and-reports/impact-investment-wholesalers-and-fund-of-funds-design-insights-from-the-gsg-impact-partnership/>



Demand for Impact Capital

Pioneering/Early stage

Few social entrepreneurs and enterprises are testing our solutions and business models.

- The annual **Zambia Impact Investing Summit** (ZIIS), hosted by NABII Zambia, facilitates impact investment matchmaking sessions for small and growing businesses to raise capital. Between 2022 and 2023, the event helped companies in the agro-processing, and the financial services sectors secure deals worth \$44 million by pitching to investors during the summit.

Impact Investment Deal Spotlights⁴

Company	Total Funding (USD)	Type of Funding	Investor	SDGs
Africa GreenCo Services	\$6.67 million	N/A	IFU (Investment Fund for Developing Countries)	7 AFFORDABLE AND CLEAN ENERGY
Yalelo Fisheries	\$6 million	Equity	FinnFund	14 LIFE BELOW WATER
Agora Micro Finance Zambia Limited	\$2.5 million	Debt	FMO	10 REDUCED INEQUALITIES
Good Nature Agro	\$2.1 million	Equity	Goodwell Investments	2 ZERO HUNGER
Mt. Meru Millers	\$5 million	Debt	Africa Agriculture Trade Investment Fund (AATIF)	2 ZERO HUNGER

⁴ More information is available at NABII Zambia (2021). Zambia Impact Investment Market Sizing Study 2021. https://www.nabii.org.zm/downloads/reports/impact_investment_market_size_2021.pdf

Key Developments



Government and Policy

Limited Government Engagement

Government is often not very involved and does not recognise impact investing as a priority approach. There is no clear regulatory framework yet, and no or few incentives or requirements. There may be major regulatory obstacles.

- Impact investments were recognized as one of the key alternative sources of financing for the activities proposed in the country's 2022-2026 **Eighth National Development Plan** (8NDP), as part of the plan's Integrated National Financing Framework.
- NABII Zambia, through its Small Business Growth Initiative (SBGI) with the Bank of Zambia (BoZ), is proposing that the central bank adjust the **Capital Adequacy Ratio requirements** for commercial banks lending to small and growing businesses in agricultural value chains during the SBGI pilot phase. This regulatory dispensation would allow banks to allocate more resources to these businesses, enhancing their access to finance and supporting growth in Zambia's agricultural sector.

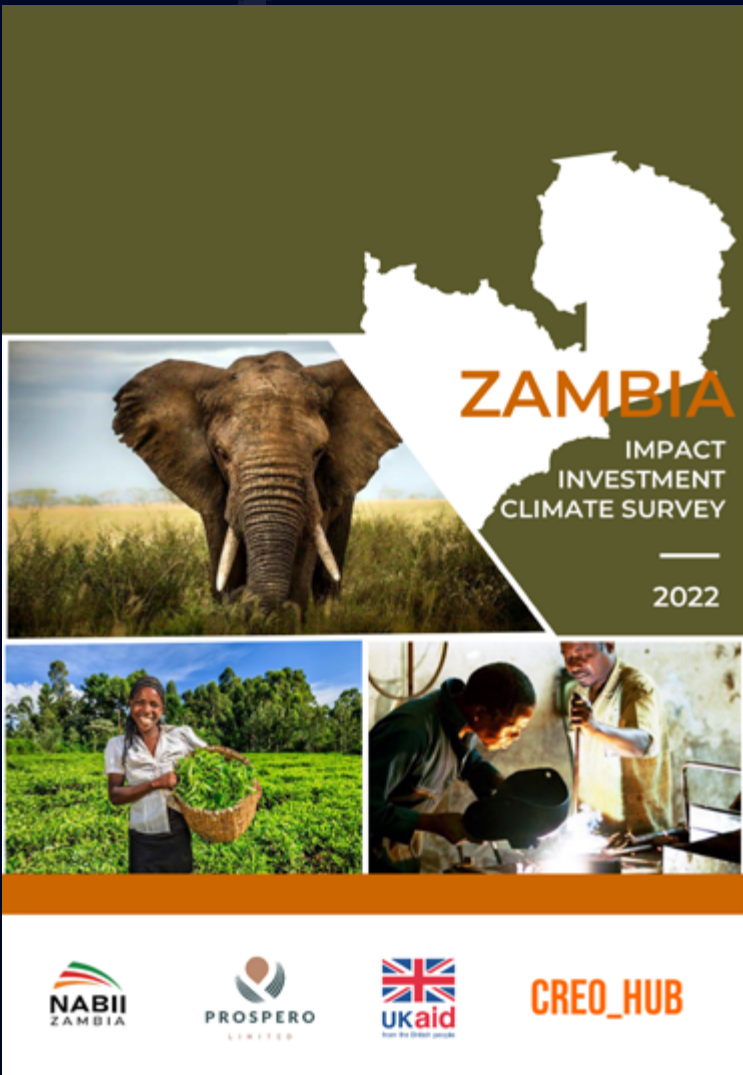


Market Building

- In Zambia, there is a growing emphasis on building the capabilities of consulting and advisory firms in **impact measurement and management** (IMM). This focus helps impact-driven businesses monitor and report their social and environmental impact, making them more appealing to investors. Various organisations are now offering IMM workshops and training programs to raise reporting and transparency standards, ultimately enhancing Zambia's impact investment ecosystem.

Publication highlight

NABII Zambia (2023). Zambia Impact Investment Climate Survey Report 2022.

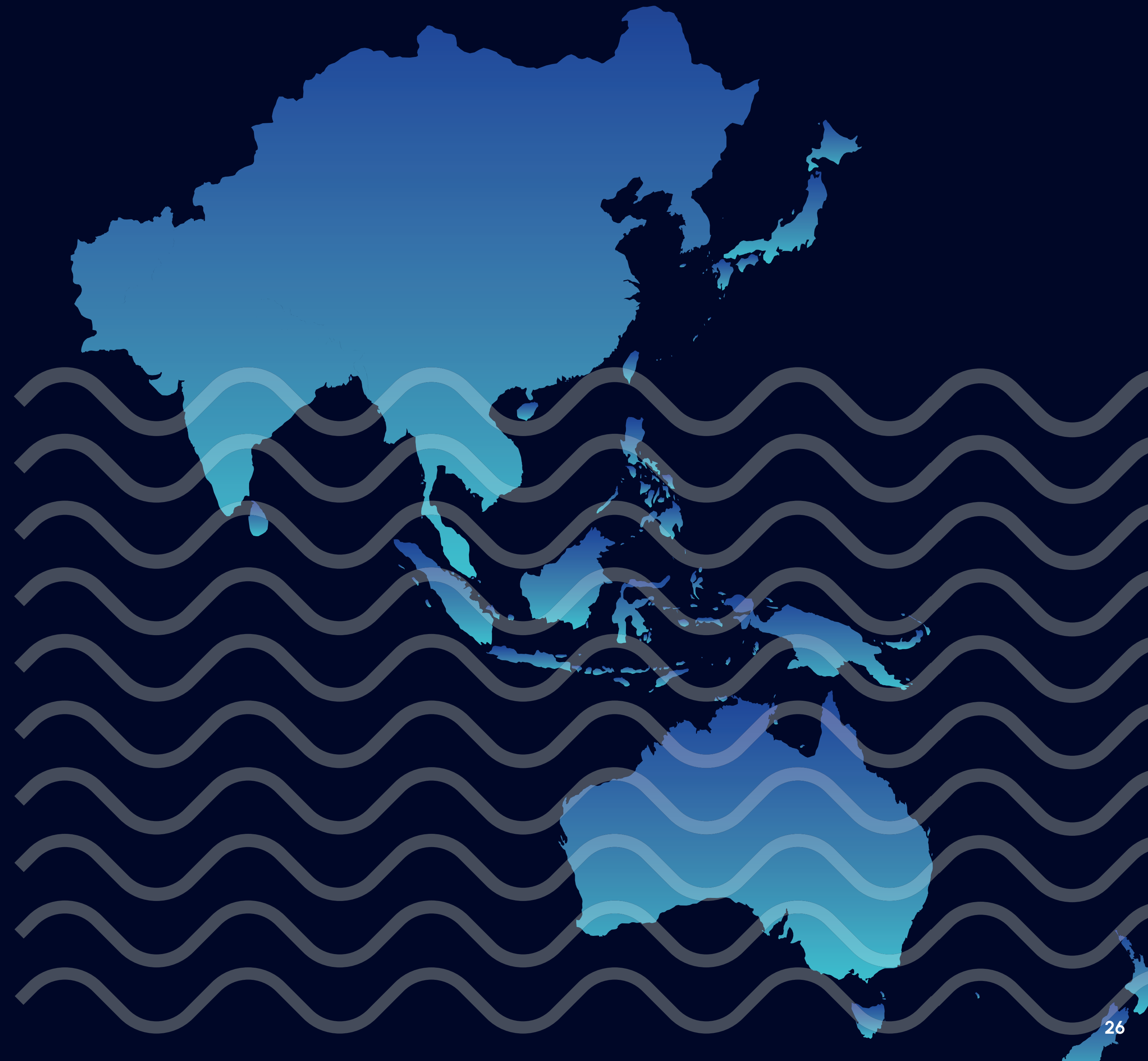


Country Profiles

Asia Pacific

Asia Pacific

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Ecosystem Overview

The Australian impact investment ecosystem has developed further, with **several specialist impact fund managers emerging and the arrival of more concessional investment flowing from philanthropic trusts and foundations**. Philanthropy has done much of the heavy lifting to grow our social enterprise market (206,000+ people employed in the sector)¹.

There is scope to grow this much further, however, **there is still a significant shortage of specialised intermediaries to meet the advisory and financing needs of impact enterprises**. Private capital has been slow to enter the market, and the growth of social enterprises and impact investment funds have been hindered as a result.

For institutional investors, there is a current lack of scale in the current impact investment market, a lack of institutional quality in investment opportunities, and an absence of a proven domestic track record. While some impact funds have mobilised pools of capital to deploy, the majority of investors still comprise philanthropic foundations and family offices. The reluctance of institutional capital to embrace such funds reinforces the need for the catalyst of early government funding.



GSG National Partner in Australia has been represented by **Impact Investing Australia** (IIA) since 2014.

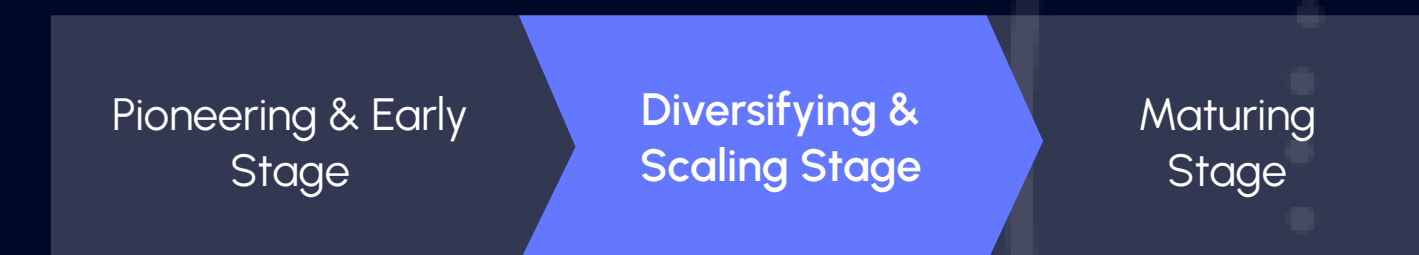
¹SIIT (2023). Impact Investing Taskforce Expert Panel: Update and Review of Final Report. <https://treasury.gov.au/sites/default/files/2023-12/p2023-391009-taskforce-updated-report-2022.pdf>

Social Investment Market Size as of 2020²:

AUD 1.283 billion (USD 0.833 billion)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Endowments for Impact Challenge

Foundations Group for Impact Investment

Sector Readiness Fund

Social Enterprise Development Initiative

Outcomes fund

Green Treasury Bond

²The figure excludes affordable housing bonds. Australian Government The Treasury (2023). Australian Social Impact Investing Taskforce – final report: <https://treasury.gov.au/publication/p2023-391009#:~:text=The%20Social%20Impact%20Investing%20>

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- A group of trusts and foundations has recently launched the **Endowments for Impact Challenge** (EFIC), a \$170 million open tender designed to draw out the best-in-class financial advice for mission-related investment. IIA has been appointed as the EFIC project manager.
- In 2023, the **Foundations Group for Impact Investment** (FGII) was launched, modelled on the UK's Social Impact Investors Group, to convene leading philanthropic trusts and foundations. The FGII is represented by 50 member organisations, across a sector that manages more than AUD 50 billion in funds. This group plays an important role in connecting for-purpose enterprises with concessional and market-rate capital, and in educating interested trusts and foundations on the mechanics of impact investment.



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- Between 2015 and 2023, the Australian Government's **Sector Readiness Fund** distributed AUD 6.03 million in Growth Grants to 76 social enterprises enabling them to build capability for private capital raising. The programme required social enterprises to partner with an intermediary to provide capability-building services. IIA managed the Fund on behalf of the Government and undertook an impact evaluation of the programme.
- In 2023, the Government launched a new grant programme, **Social Enterprise Development Initiative** (SEDI) offering up to A\$120,000 to social enterprises, including Indigenous-owned organisations, for business and impact capability services. IIA, as the Grant Administrator, will distribute A\$6 million in total funding over three years, through to 2026.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Type of Funding	Investor	SDGs
<u>Australian Unity</u>	\$32.5 million	Sustainability-Linked Loan	Westpac	3 GOOD HEALTH AND WELL-BEING
<u>Ngutu College</u>	\$0.9 million	Loan	Save the Children	4 QUALITY EDUCATION
<u>Queensland Treasury Corporation</u>	\$1.95 billion	Green Bond	Deutsche Bank/National Australia Bank/UBS/Westpac	7 AFFORDABLE AND CLEAN ENERGY
<u>Australian Development Investments</u>	\$149.5 million	Impact Fund	Australian Government	5 GENDER EQUALITY
<u>Luson Aged Care</u>	\$12.675 million	Subordinated Loan	For Purpose Impact Partners	11 SUSTAINABLE CITIES AND COMMUNITIES

Key Developments



Government and Policy

Established Government Support

Government as one of the most important partners for scale, recognises impact investing as the way forward and integrates it in its strategy and policies. Proactively seeks feedback from the market and works to address regulatory hurdles.

- In May 2023, the Australian Government established an **A\$100 million Outcomes Fund** to support states, territories, and service providers through outcome-based payments, focusing on three key areas: supporting families with children, overcoming barriers to employment and supporting people facing homelessness. The May 2024 budget added A\$4.7 million over three years, plus A\$0.8 million from 2028–29 to 2033–34, for fund management and evaluation. The Outcomes Fund aligns with recommendations from the **Government’s Social Impact Investing Taskforce**, which included five IIA Board members.
- In June 2024, the Australian Office of Financial Management (AOFM) issued the inaugural **4.25% Green Treasury Bond**, maturing on 21 June 2034. The bond attracted \$22.89 billion in demand, over three times the \$7 billion issued, with 35% allocated to offshore investors and 15 new institutional investors participating.
- **Australian Development Investments** (ADI), Australia’s AUD \$250 million impact investment fund-of-funds, was launched by the Department of Foreign Affairs and Trade in 2023, building on the results of the Emerging Markets Impact Investment Fund (EMIIF) pilot³. ADI aims to make early-stage and concessional investments into promising impact investment funds in the Indo-Pacific region, providing financing to SMEs that deliver climate and gender equality outcomes.



Market Building

- IIA hosts the **Australian Impact Investment Market Builders group**, comprising key players in the impact investment ecosystem. The group convenes quarterly meetings to discuss and share insights on the impact ecosystem, aiming to advance market-building advocacy and action by leveraging their collective strengths.

³To know more, see the ADI factsheet here: <https://www.dfat.gov.au/sites/default/files/australian-development-investments-factsheet.pdf>

Publication highlight

Australian Government The Treasury (2023). Australian Social Impact Investing Taskforce – final report.

Ecosystem Overview

Bangladesh's economy has shown impressive growth, with a \$416 billion GDP in 2021 and the potential to reach \$1 trillion by 2030. Averaging a 6.4% growth rate from 2016-2021, Bangladesh outpaced other major Asian economies, emerging as a leading economy in the Asia-Pacific region.

The government recognised the value of impact investment early. In 2015, the Bangladesh Securities and Exchange Commission introduced the Alternative Investment Rule, supporting private equity, venture capital, and impact funds. Initiatives by Bangladesh Bank, along with tax incentives, have further boosted growth. Key companies attracting impact investments include bKash, Chaldal, and Solshare, with funders like the Bill and Melinda Gates Foundation and UNCDF. Furthermore, key private sector players, such as Impress Group's Build Bangladesh, have also supported the ecosystem through international conferences on impact investing since 2016.

Still, the ecosystem requires a clearer identity for defining impact, greater collaboration among stakeholders, expanded education for entrepreneurs, and alternative financing options. Increased incentives and support for investors could further enhance Bangladesh's potential as a leader in impact investing.



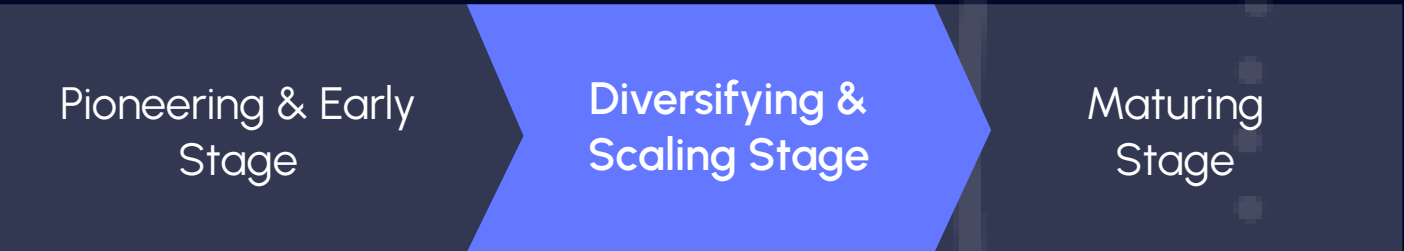
GSG National Partner in Bangladesh has been represented by **NAB Bangladesh** since 2018 and consists of 17 members as of 2024.

Impact Investment Market Size:

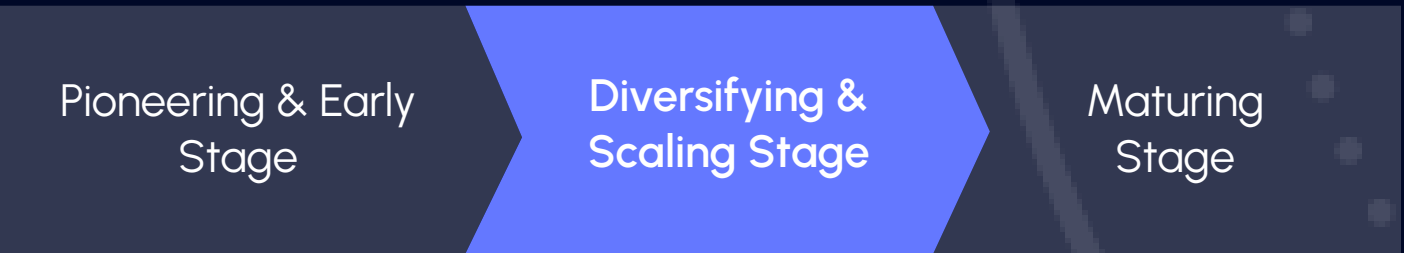
N/A¹

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

- DFIs
- Catalytic funding
- Social Impact Incentives
- Digital transformation
- Fiscal incentives
- Tech solution for investments
- Muhammad Yunus

¹ There is no estimated value for the impact investment market size in Bangladesh. However, according to the Handbook of Mapping of the Ministries published by the General Economics Division (GED) of the Planning Commission, accomplishment of the SDGs will require USD 928.47 billion for the period 2017-2030, which can be an indicator of impact investment potentials in Bangladesh.

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- Funding from **Development Financial Institutions** (DFIs) and grants/non-equity financing in Bangladesh increased from USD 75,000 in 2018 to USD 5.05 million in 2020, with USD 3.6 million recorded in 2021. Currently, it stands at over USD 5 million.²

² Issue-I, T. A. (2021). Impact investing on the rise - where is Bangladesh? The Financial Express. <https://thefinancialexpress.com.bd/views/views/impact-investing-on-the-rise-where-is-bangladesh-1627829017>



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- **Biniyog Briddhi** (B-Briddhi), a multiyear programme supported by the Swiss Agency for Development and Cooperation and implemented by Roots of Impact and LightCastle Partners, provides **catalytic funding** and **social impact incentives** to impact enterprises have better access to growth capital.
- **BetterStories Limited**, a leading agency focused on smart technology, has organised more than 23 accelerator programmes and supported over 1,000 founders, resulting in the creation of 1.5 million jobs over the past 15 years. It has extended its services to NGOs and SMEs to help them transform in alignment with **Bangladesh's Vision 2041**, a long-term development strategy for economic growth through **digital transformation** and innovation.
- Since 2016, **YGap Bangladesh**, led by Build Bangladesh in partnership with YGap Australia, has accelerated impact enterprises by providing funding, mentoring, and resources for over 86 impact startups focused on social and environmental impact aligned with the SDGs.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Investor	SDGs
ShopUp	USD 32.1 million	Lendable, The City Bank	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 Minutes School	USD 6.9 million	Conjunction Capital	4 QUALITY EDUCATION
Arogga	USD 5.5 million	The Venture Collective	3 GOOD HEALTH AND WELL-BEING
Tiger	USD 2.5 million	Wavemaker	7 AFFORDABLE AND CLEAN ENERGY
Pickaboo	USD 2.5 million	IDLC Finance Limited	8 DECENT WORK AND ECONOMIC GROWTH

Key Developments



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles.

- The government has incentivised investments with fiscal incentives and tech solutions. The National Board of Revenue (NBR) has introduced **tax incentives** to stimulate investment in priority sectors, including a 2% tax rebate for specified industries. Furthermore, the Bangladesh Investment Development Authority (BIDA) is implementing a **One Stop Service (OSS) system** to streamline the investment process, centralising access to permits, registrations, and approvals, reducing bureaucratic barriers and enhancing ease of business for domestic and foreign investors through online facilities.

- **Muhammad Yunus**, the Nobel Peace Prize winner in 2006 for pioneering the use of microcredit to help impoverished people, particularly women, has been chosen to head Bangladesh's interim government.



Market Building

- To bridge the early-stage financing gap and provide advisory support to startups, **Bangladesh Angels** (BAN) created a platform for angel investing. The network also provides high-quality mentoring and networking opportunities to portfolio companies and engages the Bangladeshi diaspora in the mainstream startup financing arena.
- The **Bangladesh Impact Investment Strategy and Action Plan** (BIISAP), launched by NAB Bangladesh in 2022, identifies key areas of intervention needed to unlock the full potential of impact investing in the country, while also outlining the potential roles of key players and stakeholders in implementing the range of recommended actions and strategies.

Publication highlight

NAB Bangladesh (2021). Bangladesh Impact Investment Strategy and Action Plan.



Ecosystem Overview

India boasts a vast and dynamic market that attracts significant global impact capital. The scope of impact investing has broadened beyond traditional sectors to include emerging areas such as climate tech, gender lens investing, and disability lens investing, reflecting evolving priorities and diverse opportunities for social and environmental impact.

From 2010 to 2024, India witnessed over \$40 billion in equity investments directed toward impact-focused enterprises. While investment activity was moderated in 2023 compared to the unprecedented levels of the previous two years, 2024 has demonstrated a renewed upward trajectory. Between January and December 2024, equity investments reached nearly \$5 billion, surpassing the total of \$3.44 billion for the entire calendar year 2023.

Financial inclusion has traditionally drawn the highest investment volumes, cementing its importance in the ecosystem. Recently, however, investor interest has surged in climate technology, with significant funds flowing into areas like sustainable transportation, battery storage, textile recycling, cooling solutions, and water management. This trend reflects a broader shift toward sustainability and climate resilience as essential drivers of India's economic and developmental priorities.



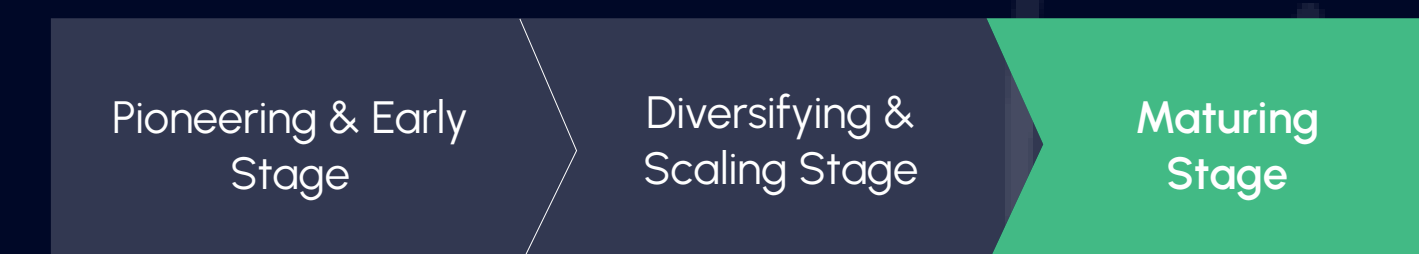
GSG National Partner in India has been represented by the **India Impact Investors Council (IIIC)** since 2017 and is composed of 63 members as of 2024.

Impact Investment Market Size as of 2024¹:

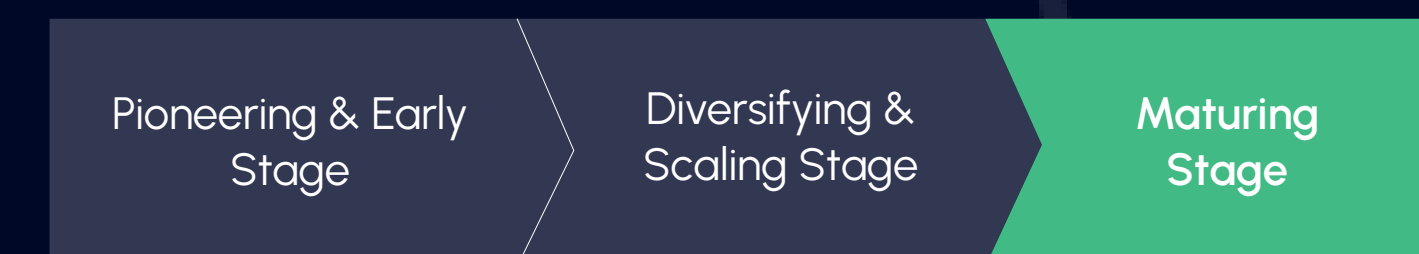
USD 4.97 billion

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

The Blended Finance Company

Fund-of-funds for startups

Impact enterprises

Social Stock Exchange

Atal Innovation Mission

ESG Debt Securities

¹IIIC Research Database (2024). <https://iiic.in/research-publication/>

Key Developments



Supply and Intermediation of Impact Capital

Scaling/Maturing

A critical mass of investors have joined the market, and mainstream players (e.g., pension funds) are getting involved. Many contending players want to scale their views or solutions for impact.

- Blended finance in India continues to expand, with **The Blended Finance Company** (TBFC)—a collaboration between the Michael & Susan Dell Foundation and Asha Impact—facilitating capital deployment for sustainable development. Simultaneously, NABARD has introduced a ₹1,000 crore fund to support agritech startups and rural enterprises, addressing funding gaps for scaling operations. Additionally, its venture arm, NabVentures, is launching a ₹1,000 crore climate-focused fund to invest in businesses tackling climate change in agriculture and rural sectors, reinforcing India’s commitment to impact-driven investments.
- The Union Budget 2025-26 announced the ₹10,000 Crore (approximately \$1.14 billion) **Fund of Funds for Startups** to inject ‘patient capital’ into high-impact startups, particularly those in deep tech sectors like artificial intelligence, robotics, blockchain, and clean energy. The objective is to bridge the funding gap for startups working on breakthrough innovations, ensuring they receive long-term financial backing to scale their operations and contribute to India’s technological and economic growth.



Demand for Impact Capital

Scaling/Maturing

A critical mass of impact businesses exist, and mainstream players (e.g., corporates) are getting involved. Many contending players who want to scale their views or solutions for impact.

- Impact enterprises in India raised approximately **\$7 to \$3.4 billion annually in 2022 and 2023**. While impact investments experienced a decline in 2023, this trend mirrored the global slowdown in the private equity and venture capital sectors. However, the 2024 fiscal year has shown strong signs of recovery, with equity investments nearing \$5 billion – already surpassing the total investment of \$3.44 billion recorded for the entirety of 2023.

Impact Investment Deal Spotlights

Company	Total Funding (USD million)	Investor	SDGs
DMI Finance	\$ 334.000	MUFG	8 DECENT WORK AND ECONOMIC GROWTH
Svatantra Microfinance	\$ 233.000	Advent International, Multiples Alternate Asset Management	8 DECENT WORK AND ECONOMIC GROWTH
PharmEasy	\$ 216.290	Ranjan Pai’s Manipal Education, Medical Group (MEMG), existing investors	3 GOOD HEALTH AND WELL-BEING
PhysicsWallah	\$ 210.000	Hornbill Capital, Lightspeed Venture Partners, GSV, WestBridge	4 QUALITY EDUCATION
Kogta	\$ 148.000	Ontario Teachers’ Pension Plan	8 DECENT WORK AND ECONOMIC GROWTH

Key Developments



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles.

- IIC regularly collaborates with Indian regulatory bodies and policymakers such as SEBI, MoF, IFSCA, RBI, among others, to present impact investment as a distinct asset class in India, share regulatory perspectives with the ecosystem, and catalyse fund flow by building 'Brand India' as an attractive impact destination.
- The Union Cabinet approved the continuation of the **Atal Innovation Mission** until March 2028, allocating a budget of ₹2,750 crore. This extension, termed AIM 2.0, emphasizes global competitiveness, introduces new initiatives, underscores public-private partnerships, addresses the rural-urban imbalance, and focuses on the growth and expansion of India's entrepreneurship ecosystem.
- The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, were amended in 2024 by SEBI to introduce **ESG Debt Securities**, which include social bonds, sustainable bonds, sustainability-linked bonds, and green debt securities. This amendment aims to support Sustainable Development Goals and close funding gaps by allowing issuers more flexibility to raise capital for ESG-aligned projects.



Market Building

- The Impact Investors Council (IIC) hosted the 5th edition of its flagship event, **Prabhav 2024**, in September in New Delhi, focusing on the theme "Impact Beyond Returns: The India Story". The event highlighted six thematic areas, including equity and debt impact investing, blended finance, and climate investing, with over 565 attendees from 25 countries and 1,100+ meetings conducted.
- Launched in 2023, the **India Room initiative** connects global LPs with India's GPs, showcasing India as a safe and attractive destination for impact investing. To date, nine India Rooms have been successfully conducted, enhancing international collaboration and capital flow.
- IIC continues to spread awareness through **thematic newsletters** such as the **Market Pulse** (monthly equity deal trends), the **Climate Bulletin** (climate finance insights), and the **IBFC Bulletin** (blended finance strategies). Its annual **Retrospective Report** chronicles key impact investment trends across sectors like agriculture, financial inclusion, climate tech, and gender-lens investing.
- India's First-of-its-kind gathering for Green Finance stakeholders to elevate the conversation from well-understood sectors to the next wave of innovation- **India Green Investment Forum** (IGIF)- was launched in New Delhi, in 2023. With over 530 attendees and 100 speakers from 18 countries, the biannual event catalyzes discussions, unlocks new possibilities and drives impactful change towards a greener, more sustainable world.

Publication highlight

IIC (2024). 2023 in Retrospect: India Impact Investment Trends.



Ecosystem Overview

The Japanese impact investment market is rapidly scaling and maturing, driven by a synergistic collaboration between impact investors (supply side), impact companies (demand side), and the government, forming a robust tripartite structure.

According to a 2023 survey conducted by GSG Impact Japan and SIIF, the balance of impact investments has surged to 11.5 trillion JPY (approximately 80 billion USD) across 58 organisations, **marking a significant 197% increase from the previous year.**

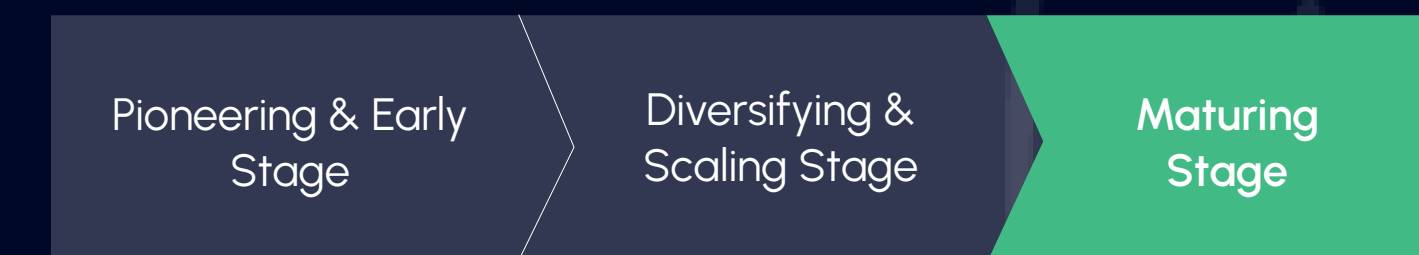
Key initiatives fueling this growth include the Japan Impact-driven Financing Initiative, a signatory initiative of Japanese financial institutions for impact investment launched in November 2021, which has expanded from 21 signatory financial institutions to 73 by July 2024. Furthermore, the establishment of the Impact Consortium in November 2023, jointly led by the Financial Services Agency and the Ministry of Economy, Trade, and Industry, underscores the government's commitment to advancing the impact investment ecosystem.

Impact Investment Market Size as of 2023¹:

JPY 11.54 trillion (USD 79.6 billion)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Impact investment wholesaler

Impact-driven Financing Initiative

Impact IPO working group

Japan Association of Corporate Executives

J-Startup Impact

B Market Builder Japan

Mainstreaming impact investment

Impact investment initiative for global health

National impact investing framework

¹ GSG Impact Japan (2024). The Current State and Challenges of Impact Investing in Japan. <https://impactinvestment.jp/en/news/20240624.html>

Key Developments



Supply and Intermediation of Impact Capital

Scaling/Maturing

A critical mass of investors have joined the market, and mainstream players (e.g., pension funds) are getting involved. Many contending players who want to scale their views or solutions for impact.

• **Japan Network for Public Interest Activities** (JANPIA), a **Japanese impact investment wholesaler** that utilises dormant assets to disburse grants to social enterprises and non-profit organisations, was established in 2019. To date, JANPIA has allocated approximately USD 18.7 million via grants and is currently in the process of beginning impact investment to social intermediaries.²

• **Japan Impact-driven Financing Initiative**, launched by GSG Impact Japan in collaboration with the Japanese government and large financial institutions in 2021, published “The Japan Impact-driven Financing Initiative: Medium-term Plan (2023 – 2025),” which outlines strategic and collaborative approaches for financial institutions to align with global sustainability trends. As of April 2024, it has attracted 78 signatories, reflecting growing dedication within Japan’s financial sector to sustainable and impactful investment practices.

² To learn more, see GSG Impact (2024). Impact Investment Wholesalers and Fund of Funds. <https://www.gsgimpact.org/resources/publications-and-reports/impact-investment-wholesalers-and-fund-of-funds-design-insights-from-the-gsg-impact-partnership/>.



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

• GSG Impact Japan launched an **Impact IPO (initial public offering) Working Group** in July 2023 to foster dialogue between impact companies and capital market participants, focusing on disclosure to ensure impact and enterprise value growth before, during, and after an IPO. In 2024, the working group released the **Guidance for Impact-driven Companies on Disclosure and Engagement in Capital Markets** as a reference for both impact companies and market participants.

• In July 2023, Keizai Doyukai, the **Japan Association of Corporate Executives**, entered into a Partnership Agreement for Collaboration with the **Impact Startup Association** and the **Japan Association of New Public**, marking the launch of a strategic collaboration aimed at advancing impact-driven initiatives.

• In October 2023, the Ministry of Economy, Trade and Industry launched **J-Startup Impact**, a programme to foster and support impact startups through collaboration between the public and private sectors.

• In April 2024, **B Market Builder Japan** (BMBJ) was established as the official partner of B Lab Global, aiming to advance the B Corp movement within Japan. BMBJ will support over 40 Japanese companies already certified as B Corps, assist additional businesses in obtaining certification, and foster a community dedicated to social and environmental responsibility.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Type of Funding	Investor	SDGs
Gojo & Company, Inc.	\$233 million	Equity(series F) and Loan	Nomura, SMBC and others	8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
Amekaze Taiyo, Inc.	\$16 million	IPO (Listed Equity)	Various	11 SUSTAINABLE CITIES AND COMMUNITIES
Ichigo Inc.	\$60 million	Loan(Positive Impact Finance)	SMBC and others	7 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES
ANA Holdings	\$130 million	Bond (Sustainability - linked bond)	Various	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Key Developments



Government and Policy

Established government adoption

Government as one of the most important partners for scale, recognises impact investing as the way forward and integrates it in its strategy and policies. Proactively seeks feedback from the market and works to address regulatory hurdles.

- The **Grand Design and Action Plan for a New Form of Capitalism**, a key economic policy introduced by Prime Minister Fumio Kishida in 2024, mainstreamed impact investment in its national development plans by demonstrating a stronger focus on impact investment, especially in areas like sustainability, social equity, and environmental transformation.
- In May 2023, the Cabinet Secretariat announced the **"Impact Investment Initiative for Global Health"** at the G7 Hiroshima Summit, underscoring Japan's commitment to addressing global health challenges through impact investments, aiming to mobilise capital for health innovation and improve healthcare outcomes worldwide.
- In March 2024, the Financial Services Agency (FSA) released the **Basic Guidelines on Impact Investment** that outlines a strategic framework to advance impact investing in Japan, guiding impact measurement and management.



Market Building

- **Japan's Impact Consortium** was launched by GSG Impact Japan with the Japanese government and other financial institutions, an interactive working group where impact-driven stakeholders could join in and share their expertise and experiences. The consortium launched the **Japan Impact-driven Financing Initiative** in 2021 to provide major financial institutions with an opportunity to deepen their commitment to impact management.
- GSG Impact Japan conducts an **annual impact investment survey** to assess and measure the impact of its activities. The **2024 survey** captured responses from 58 organisations – and assessed their contributions and impacts on the Japanese impact investment ecosystem.

Publication highlight

GSG Impact Japan (2024). The Current State and Challenges of Impact Investing in Japan.



Ecosystem Overview

Malaysia's impact investment activity has room for growth compared to some of its regional counterparts, partly due to factors like limited access to foreign impact investment capital. Meanwhile, **domestic capital has traditionally been focused on philanthropic giving.**

Nevertheless, a few advancements in the sector include: **Recent regulatory advancements like the introduction of the Sustainable and Responsible Investment (SRI) Fund taxonomy**, mandatory climate-related disclosures in line with the Task Force on Climate-Related Financial Disclosures (TCFD) by 2025, and the release of Sustainable Investing Standards by the Ministry of Finance.

The government is actively supporting start-ups, technology companies, and social enterprises through agencies, as well as government-linked investment companies (GLICs) – federal government investment-linked companies that allocate some or all of their funds to government-linked companies (GLCs) investments. Additionally, private capital inflows into impactful businesses are on the rise, signalling a broader shift towards sustainability-focused investments.¹



GSG National Partner in Malaysia has been represented by **Malaysia Impact Alliance** (MYImpact) since 2023 and is composed of 11 members as of 2024.

¹ Intelicap (2023). Impact Investing In South East Asia Report (Update 2020-2022). <https://www.intelicap.com/publications/impact-investing-in-south-east-asia-update-2020-2022/>

Impact Investment Market Size as of 2024²

USD 47.9 million

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

- Sovereign wealth fund
- Social Outcome Fund
- Social Enterprise Fund
- Social Impact Grant and Technology Commercialisation Platform
- Sustainable finance taxonomy
- Guidelines for VBI financing and impact assessment
- National strategy for social entrepreneurship

² GIIN (2024). Sizing The Impact Investment Market 2024. <https://thegiin.org/publication/research/sizing-the-impact-investing-market-2024/#:~:text=The%20GIIN%20estimates%20that%20over,impact%20investing%20market%20since%202019>

Key Developments



Supply and Intermediation of Impact Capital

Pioneering/Early stage

Few boutique impact investors, DFIs, MFIs, pioneers etc. are piloting solutions and developing new instruments.

- Malaysia's **sovereign wealth fund, Khazanah**, launched the Dana Impak Fund, allocating USD 1.5 billion to invest in areas that aim to increase Malaysia's economic competitiveness and build national resilience, while delivering socio-economic benefits and impact to the rakyat (community). The Future Malaysia Programme, under Dana Impak, focuses on funding and developing initiatives to strengthen the impact investment ecosystem and build the demand side of the impact economy.
- Agensi Inovasi Malaysia (AIM) operated from 2010-2020 with one of its key focus areas to promote social innovation, support social-purpose organisations, and enhance collaboration among stakeholders. AIM piloted a payment-for-outcomes funding model, **Social Outcome Fund** (SOF), becoming the first country in Asia to involve corporations and foundations in decision-making for social impact investments.
- **Yayasan Hasanah**, the impact-based foundation of Khazanah, has collaborated with the Ministry of Finance, where both organisations established the **Hasanah Social Enterprise Fund** (HSEF) to empower and enhance the organisational growth of social enterprises (SEs) and social innovators. With 60% of the SEs we supported that year being women-led, it signifies an inclusive and exciting space to be in. A total of RM7.44 million was granted to 30 SEs in 2023, with 90% of the submissions focusing on environment and community development initiatives.
- **MAVCAP** (Malaysia Venture Capital Management Berhad), the largest venture capital firm in Malaysia, created an impact investment fund, in collaboration with public and private partners to provide capital for high-impact ventures in renewable energy, healthcare, and education.



Demand for Impact Capital

Pioneering/Early stage

Few social entrepreneurs and enterprises are testing our solutions and business models.

- **MRANTI** (Malaysian Research Accelerator for Technology & Innovation), formerly known as MaGIC (Malaysian Global Innovation & Creativity Centre) a key government agency focused on accelerating innovation, launched a **Social Impact Grant and Technology Commercialisation Platform** (TCP), which offers funding, commercialisation support, and mentorship for social enterprises focused on delivering measurable social impact in sectors like education, healthcare, and environmental sustainability.

Impact Investment Deal Spotlights³

See this report for more information on impact investment deals: [MYImpact \(2025\). Malaysia Social Procurement Country Report 2024](#)



Key Developments



Government and Policy

Growing government support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles. Government capacity and political support may still be limited.

- The **Sustainable and Responsible Investment (SRI) Taxonomy** for the Malaysian capital market was launched by the Securities Commission Malaysia (SC) in December 2022, providing a guiding framework for sustainable investing. The Taxonomy is a set of principles that help classify economic activities based on their environmental, social, and sustainability impact. For the Islamic Capital Markets, the SC also launched a principles-based **Maqasid al-Shariah** guidance to fortify the Islamic Capital Market's impact and contribution to society and the real economy.
- Bank Negara Malaysia has issued the **Value Based Intermediation Financing and Impact Assessment**, which integrates VBI principles into a risk management system covering financing, advisory services, and investment activities, and a strategy paper for a **Financial Inclusion Framework** 2023-2026, a four-year strategic roadmap offering principle-based guidance to advance financial inclusion.
- Bank Negara Malaysia introduced the **Climate Change and Principle-based Taxonomy** to help financial institutions assess and classify economic activities based on their alignment with climate objectives and contributions to a low-carbon economy. With a strong emphasis on climate-related risks and resilience, this taxonomy provides a standardised framework for classifying and reporting climate-related exposures.
- The Ministry of Finance introduced **Sustainable Investing Standards** to guide government-linked investment companies (GLICs) in incorporating sustainability considerations into their investment strategies, enhancing the role of public capital in driving sustainable economic growth.
- The Ministry of Entrepreneur and Cooperatives Development (MECD) has created the **Malaysia Social Entrepreneurship Blueprint 2030** (SEMy2030), as a new national direction for the development of social entrepreneurship in Malaysia. SEMy2030 aims to create an ideal social entrepreneurship ecosystem for mainstreaming social enterprises in the economy and normalising the social and environmental impact.



Market Building

- Bursa Malaysia has been progressively enhancing their guidelines for sustainability disclosures, launching the **FTSE4GOOD Bursa Malaysia Index**, and enhanced ESG guidelines, requiring more detailed disclosures from corporations and SMEs. The focus on sustainability reporting intensifies, gearing up for compulsory Task-force for Climate-related Financial Disclosures (TCFD) in sustainability reporting beginning 31 December 2025.
- Supported by Dana Impak, the **MyImpact** aims to catalyse the impact investment economy with targeted programs to align supply and demand sides of capital. MyImpact has been working with local and international partners on market and landscape studies including:
 - State of Impact In Malaysia (supply-side research with Hive & Partners)
 - Impact of Accelerators in Malaysia (intermediary research with Brunel HIVE)
 - Social Procurement in Malaysia (demand-side research with Yunus Social Business)
- United Nations Development Programme (UNDP) launches **Malaysia's SDG Investor Map**, supported by Ministry of Investment, Trade & Industry (MITI) and the Malaysian Investment Development Authority (MIDA).

Publication highlight

Intellectap (2023). Impact Investing In South East Asia Report (Update 2020-2022).



Ecosystem Overview

Aotearoa New Zealand's impact investing ecosystem is in the scaling stage, **with market size growing from NZD 8 billion in 2022 to NZD 11 billion in 2023.**

The sector is dominated by green, social, sustainability and impact bonds attracting investments of over \$10 billion. Despite strong growth in both segments, capital allocations remain a small fraction of the broader capital market and the responsible investment market, which hit a record \$183 billion in 2022, representing 52% of the total managed funds market.

To advance towards market maturity, diversification beyond philanthropic investors is essential, including increased investment from government, managed funds, and private equity. Expanding public-private partnerships in sectors like housing, climate, environment, and social investment is also crucial. While the opportunity pipeline is growing, further capability-building and impact-focused intermediaries are needed to scale investment opportunities.

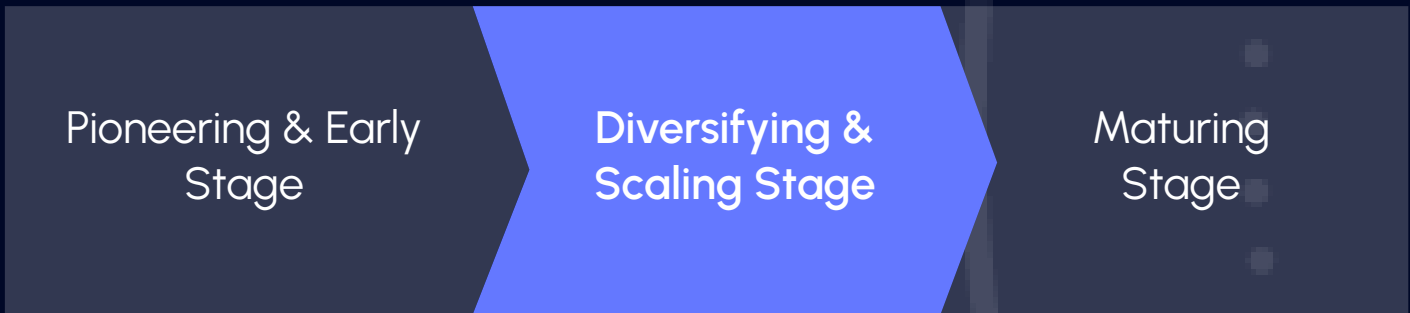


GSG National Partner in New Zealand has been represented by **Impact Investing Network (IIN) Aotearoa New Zealand** since 2018 and is composed of 1300 members as of 2024.

Impact Investment Market Size as of 2023¹:
NZD 11 billion (USD 7 billion)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Government and Policy



Key words:

- Impact funds
- Solar finance
- KiwiSaver
- Social Investment Agency
- Climate-related disclosures
- National Adaptation Plan

¹RIAA (2023). Responsible Investment Benchmark Report 2023 Aotearoa New Zealand. https://responsibleinvestment.org/wp-content/uploads/2023/10/RIAA_Benchmark_Report_NZ_2023.pdf

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

• There are currently **13 impact funds** in New Zealand, including:

- **Community Finance**, which surpassed NZ\$160 million in impact investment for community housing providers
- **AgriZero**, a \$110 million government and industry-partnered fund for reducing agricultural emissions
- **Bay of Plenty Housing Equity Fund**, a \$100 million regional fund to improve affordable housing

• The Centre for Sustainable Finance has released a **legal opinion** confirming that **KiwiSaver providers** – a retirement savings

scheme – face no explicit legal barriers to investing in private markets. This clarity removes a key constraint for institutional investors, increasing their ability to allocate capital toward impact-driven opportunities.

- New Zealand Green Investment Finance (NZGIF) completed a second debt issuance, bringing total available funding for solar providers to NZD 365 million. The **NZGIF Solar Finance** model is structured to attract new investors and operators, leveraging private capital to drive scalable growth and accelerate decarbonization efforts.

Impact Investment Deal Spotlights²

Company	Total Funding (USD)	Type of Funding	Investor	SDGs
Bay of Plenty Housing Equity Fund (managed by New Ground Capital and Brightlight)	\$60 million	Equity/debt	BayTrust, TECT, Trust Horizon, Rotorua Trust, Tauranga City Council	11 SUSTAINABLE CITIES AND COMMUNITIES
Te Pae ki te Rangi Investment Fund (managed by Soul Capital)	\$45 million	Multi-asset	Foundation North	10 REDUCED INEQUALITIES, 15 LIFE ON LAND
Community Finance	\$100 million	Equity/debt	Multi	11 SUSTAINABLE CITIES AND COMMUNITIES
The Purpose Capital Impact Fund	\$13 million	Multi-asset	Multi	13 CLIMATE ACTION, 11 SUSTAINABLE CITIES AND COMMUNITIES
AgriZero	\$100 million	Equity	Government and private investors	13 CLIMATE ACTION, 3 GOOD HEALTH AND WELL-BEING

²For more information on other Impact Funds in New Zealand, see IIN's website [here](#).

Key Developments



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles. Government capacity and political support may still be limited.

- The government allocated \$50M to re-establish the **Social Investment Agency** to power up the social investment approach focusing on early interventions for vulnerable groups. The agency will also manage a Social Investment Fund to directly commission outcomes for vulnerable New Zealanders, and to work with the community, NGOs and iwi providers (social economy organisations). IIN contributed to the **Ākina Foundation’s whitepaper recommendations** to the NZ Government to adopt a New Zealand approach to social investment.
- The **Aotearoa New Zealand Climate Standards** came into effect on January 1, 2023, to support the allocation of capital towards activities that are consistent with a transition to a low-emissions, climate-resilient future.
- New Zealand’s first **National Adaptation Plan (NAP)**, launched in 2022, outlines actions to help communities prepare for climate change impacts such as extreme weather, rising sea levels, and natural hazards. The 2024 **progress report** marks the beginning of biennial assessments of the plan’s implementation. The NAP emphasizes Māori involvement, particularly in coastal and lowland areas vulnerable to flooding, encouraging them to play an active role in designing and implementing climate-resilient solutions. Additionally, the plan focuses on building climate-resilient infrastructure and creating local government frameworks to address specific regional risks.



Market Building

- The Institute of Directors is pleased to present the second Chapter Zero New Zealand Impact Report, highlighting some of the achievements of the climate governance initiative. This latest Impact Report was prepared with the support of **The Ākina Foundation** which developed their impact model.
- The Responsible Investment Association Australasia (RIAA), Centre for Sustainable Finance, and IIN Aotearoa New Zealand co-launched the **Aotearoa Collaborative Working Group** to advance responsible investing in 2023. The Working Group has facilitated the sharing of opportunities, challenges, and cooperation for responsible investing across the New Zealand market, including corporate engagements tailored to the local context.

Publication highlight

RIAA (2023). Responsible Investment Benchmark Report 2023 Aotearoa New Zealand.



Ecosystem Overview

Starting in 2018, a significant amount of public funding flowed into the VC market under the banner of impact investment or social investment, leading to rapid growth in the VC-driven impact investment market for social ventures. In 2021, the size of the Korean impact investment market reached approximately KRW 730 billion, nearly doubling compared to two years prior.

However, the current administration appears less committed to advancing impact investing and politicises the impact agenda. The market remains heavily reliant on government-backed impact funds. Furthermore, limited incentives for venture capitalists to establish impact funds and for traditional investors to allocate resources to impact funds remain major obstacles to the sector's growth.

Conversely, the rise of the ESG trend has highlighted the focus on the non-financial dimensions of business. In particular, the climate agenda has been increasingly recognised by financial institutions and companies as both a concrete risk and a strategic opportunity. This shift has brought the need for advanced impact transparency, with ESG standards gaining considerable traction and aligning with global benchmarks. Institutional investors and governments are increasingly attuned to these trends, closely monitoring their evolution and impact on the broader investment landscape.

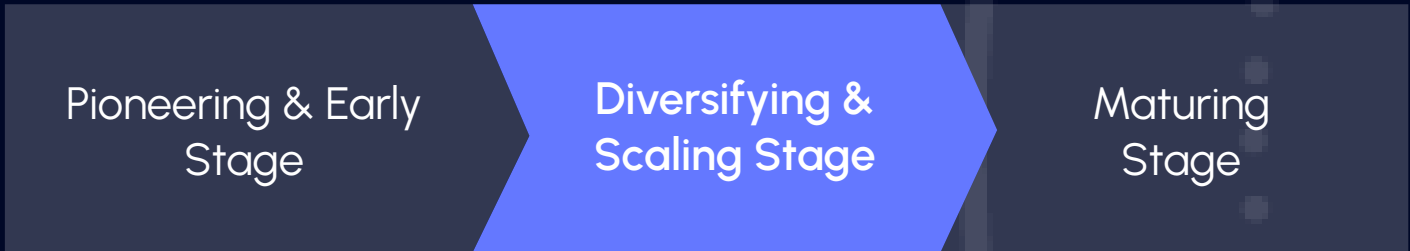


GSG National Partner in South Korea has been represented by **Korea National Partner** since 2018 and is composed of 25 members as of 2024.

Impact Investment Market Size as of 2021¹:
KRW 730 billion (USD 545 million)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Impact investment wholesaler

Social Progress Credits

- Sustainability disclosure standards
- Social Services Investment Fund
- Regional fund-of-funds
- Green New Deal
- Education Outcome Fund

¹ Triplelight (2021). Good Capital Now 2021. <https://www.triplelight.co/insight/4015#:~:text=%EA%B5%AD%EB%82%B4%20%EC%9E%84%E-D%8C%A9%ED%8A%B8%20%ED%88%AC%EC%9E%90%EC%8B%9C%EC%9E%A5.2%EB%B0%B0%EA%B0%80%20%EC%A6%9D%EA%B-0%80%ED%95%9C%20%EA%B7%9C%EB%AA%A8%EB%8B%A4>.

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- The **Korea Social Value and Solidarity Foundation (SVS)**, an **impact investment wholesale fund** established in 2019, committed to investing KRW 22 billion (approximately USD 17 million) in 2023. Backed by commercial banks, credit unions, and cooperatives, SVS has supported 280 social enterprises, both directly and indirectly, in collaboration with 20 social finance intermediaries (or impact investors) since its inception. Furthermore, SVS has facilitated expanding Social Impact Bonds (SIBs) by investing in an employment-focused SIB designed to address youth unemployment, targeting 500 young adults.²

² To learn more, see GSG Impact (2024). Impact Investment Wholesalers and Fund of Funds. <https://www.gsgimpact.org/resources/publications-and-reports/impact-investment-wholesalers-and-fund-of-funds-design-insights-from-the-gsg-impact-partnership/>



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- The Center for Social Value Enhancement Studies (CSES), a non-profit foundation and research centre focused on social innovation, has developed **Social Progress Credits (SPC)**, an incentive mechanism that provides cash rewards based on social enterprises' outcomes and performance. Over the past 10 years, CSES has distributed more than USD 45 million in cash incentives to over 450 social enterprises and ventures.

Key Developments



Government and Policy

Established Government Support

Government as one of the most important partners for scale, recognises impact investing as the way forward and integrates it in its strategy and policies. Proactively seeks feedback from the market and works to address regulatory hurdles.

- The **Korea Sustainability Standards Board** (KSSB) has published an exposure draft proposing **sustainability disclosure standards**, incorporating IFRS S1, and S2, along with a set of Korean government-initiated standards. Additionally, the government introduced the 101 Standards (S101), which cover a range of topics from female labour issues to workplace safety.
- The Ministry of Health and Welfare of Korea launched a **Social Services Investment Fund**, a public-private partnership fund designed for innovative tech enterprises providing welfare solutions. The first fund, managed by Gaia Ventures, was launched in September 2023 with a size of KRW 14.5 billion (USD 10.5 million). A second fund, managed by HGI, followed in September 2024 with a size of KRW 7 billion (USD 5 million).
- The Korea Venture Investment Corporation (KVIC), a public institution advancing VC Investments, has actively established **Regional**

- Innovation Venture Funds** since 2021. The fund-of-funds target SMEs in non-metropolitan areas, established with public institutions located in the region participating as anchor investors.
- Since 2020, over KRW 300 billion in policy funds have been allocated to investment funds targeting Green New Deal industries. In 2022, policy funds such as the Smart Korea Fund-of-Funds and Policy New Deal Funds also included **Green New Deal industries** as primary investment targets, leading to the formation of new funds totalling KRW 900 billion.
 - The Korea International Cooperation Agency (KOICA), a donor agency under the Ministry of Foreign Affairs, made its **first impact investment** in 2022 with support from the Korea NAB, committing USD 450,000 annually for five years to the **Education Outcome Fund** in Sierra Leone.



Market Building

- The **Korea Standard Association** (KSA), a member of the Korea National Partner, has acted as the implementation arm of the International Foundation for Valuing Impacts (IFVI), advancing ESG standards in the country. Furthermore, as part of the UNDP/ISO's working group on SDGs Management System (**ISO53001**), KSA recently developed global standards for SDG-aligned corporations within their management systems.
- The Korea Impact Valuation Institute (KIVI) was launched by the Korea National Partner in 2022 in collaboration with the Impact Weighted Accounting Initiative (IWA) of the Harvard Business School to set up standardised methods to convert corporations' impact and ESG performance into monetary figures.
- D3Jubilee Partners, a Korean impact venture capital firm founded in 2011, hosted the **Asia Impact Nights 2024**, bringing together 150 global and local investors, asset managers, philanthropists and recognised leaders in impact and sustainable investing, in collaboration with Toniic.

Publication highlight

[Triplelight \(2021\). Good Capital Now 2021](#)
[SVS \(2024\). Annual Impact Report 2023](#)



Ecosystem Overview

Sri Lanka's impact investment market was valued at USD 1.24 billion in 2023, with rising interest from both local and international investors. Key macroeconomic factors shaping the ecosystem include a slow recovery from the 2022 economic crisis, the need for greater private sector involvement, and the increasing importance of sustainable finance.

Although still in its early stages, the impact investment ecosystem is gaining momentum through establishment of the Lanka Impact Investing Network (LIIN). The United Nations Development Programme (UNDP) in Sri Lanka, in partnership with entities such as the Colombo Stock Exchange (CSE), Ceylon Chamber of Commerce (CCC), and the United Nations Global Compact Network Sri Lanka (CNSL), leads various initiatives aimed at integrating impact investing into organisational strategic decisions. These programs also play a crucial role in raising awareness and educating the broader economy about the importance of impact investing.

However, political instability, volatile capital market, and relatively small size of domestic market are the key factors deterring investors from investing in Sri Lanka. While challenges still remain, recent developments are creating a more supportive environment for impact investments.



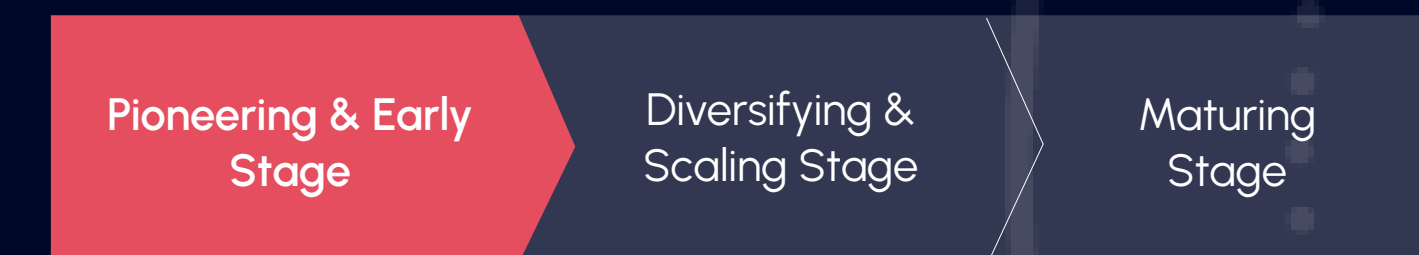
GSG National Partner in Sri Lanka has been represented by **Lanka Impact Investing Network (LIIN)** since 2023 and is composed of 7 members as of 2024.

Impact Investment Market Size as of 2023¹:

USD 1.24 billion

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Social impact funds

On Eagles Wings

Climate Adaptation Hackathon

Growth Resilience Investment Training

Green Finance Taxonomy

Roadmap for Sustainable Finance

¹ LIIN (2025). Study on the Impact Investment Landscape in Sri Lanka. <https://drive.google.com/file/d/1hBZgfKTeF54DvAiwc8n3FIDVoZekiJms/view>

Key Developments



Supply and Intermediation of Impact Capital

Pioneering/Early

Few boutique impact investors, DFIs, MFIs, pioneers etc. are piloting solutions and developing new instruments.

- The **first social impact funds** - USD 5 million **Social Enterprise Fund (SEF)** and USD 20 million **Social Impact Capital Fund (SICF)** - were launched by LIIN and UNDP in 2018. These funds aim to provide social entrepreneurs with access to innovative financing, supporting efforts to achieve the 2030 Agenda for Sustainable Development.



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- The **Climate Adaptation Hackathon** is a strategic initiative to develop innovative, data-driven solutions for improving climate adaptation and resilience in Sri Lanka's agriculture and fisheries sectors, launched by LIIN in partnership with Climate Collective Foundation in India and USAID.
- **Growth Resilience Investment and Training** (GRIT) fosters a gender-responsive entrepreneurial ecosystem in Sri Lanka, launched by LIIN and funded by Global Affairs Canada (GAC). This six-year collaborative initiative empowers and supports start-up and early-stage women-based SMEs by providing mentoring sessions and building a network amongst women entrepreneurs.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Type of Funding	SDGs	
Natures Paper	Rs. 300,000.00	Private Equity	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	15 LIFE ON LAND
Sena Eco	Rs.1,000,000.00	Private Equity	3 GOOD HEALTH AND WELL-BEING	
Ecofeel foods	Rs.1,500,000.00	Private Equity	2 ZERO HUNGER	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Actimo Horticulture	Rs. 1,000,000.00	Private Equity	2 ZERO HUNGER	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Aayu Healthy Food	Rs. 1,312,500.00	Private Equity	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	15 LIFE ON LAND

Key Developments



Government and Policy

Limited Government Support

Government is often not very involved and does not recognise impact investing as a priority approach. There is no clear regulatory framework yet, and no or few incentives or requirements. There may be major regulatory obstacles.

- In 2019, the Central Bank of Sri Lanka launched the **Roadmap for Sustainable Finance in Sri Lanka** with support from IFC and UNDP. The Roadmap provides a broad direction to financial regulators and financial institutions to effectively manage ESG risks associated with projects they finance and promotes assistance to businesses that are greener, climate-friendly and socially inclusive.
- In 2022, the Central Bank of Sri Lanka published the **Green Finance Taxonomy** as part of the action plan defined in the Roadmap for Sustainable Finance in Sri Lanka, aimed to enable financial market actors to raise capital for green activities in local and international markets. The Taxonomy classifies economic activities in three areas: climate change mitigation, climate change adaptation and other green objectives.



Market Building

- The **On Eagles Wings** TV program, launched in August 2024 by LIIN and the SEF fund, pioneers in developing the sustainability and impact investment ecosystem in Sri Lanka whilst elevating MSME into key economic drivers.
- LIIN launched a pioneering TV reality programme, **Ath Pavura**, to bring together high net-worth individuals looking to invest and social entrepreneurs looking for an investment, in partnership with UNDP.

Publication highlight

[LIIN \(2025\). Study on the Impact Investment Landscape in Sri Lanka.](#)



Ecosystem Overview

Thailand's impact investment ecosystem is steadily gaining traction, supported by the country's increasing focus on sustainability and the cultural foundation of donation. With a forecasted GDP growth rate of approximately 2.7% at the end of 2024 and a vibrant private sector, Thailand is transitioning towards an innovation-driven economy. Government policies, such as the Bio-Circular-Green (BCG) Economy Model, and the country's commitment to the UN SDGs are creating a conducive environment for impact-driven investments.

Currently, capital provided to impact organisations primarily takes the form of grants to address seed and early-stage funding gaps. Additionally, some ESG funds, such as BKIND funds and Thai CG funds, have established mandates to allocate a portion of their management fees as social investment funds to support impact organisations. Most social enterprises remain young and small, generating less than THB 10 million (approximately USD 290k) annually. Despite access to certain support, such as grants and mentorship, many face challenges in securing growth capital, as they are often overlooked by institutional investors.

Impact investments are on the rise, with sectors such as environment, education, and agriculture attracting significant interest. Partnerships between private investors, government, and international development organisations have been instrumental in this growth, signalling a positive trajectory for future evolution.



GSG National Partner in Thailand has been represented by Thailand Investing for Impact (TIFI) since 2023.¹

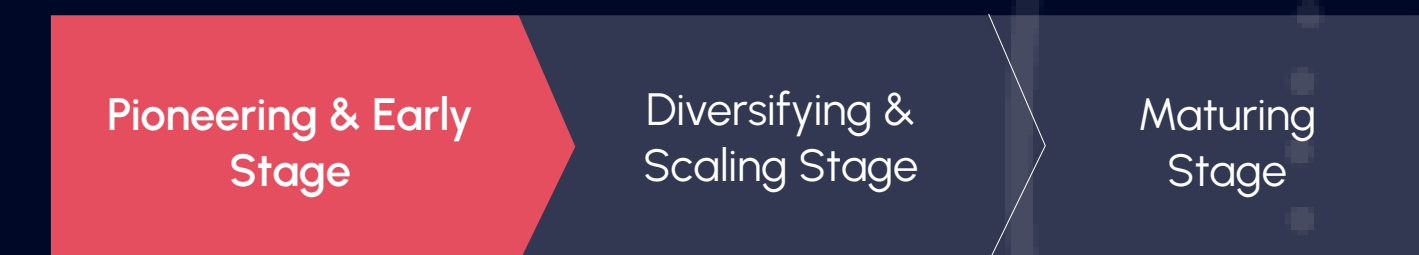
¹ TIFI has a two-tier structure, the Steering Committee (comprising 11 members) and the Taskforce members (representing 8 founding organizations) as of 2024.

Impact Investment Market Size as of 2024²:

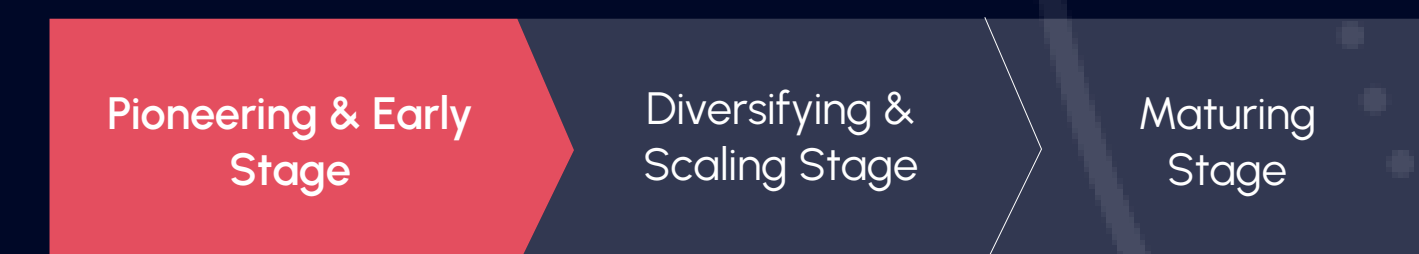
THB 50 billion (USD 1.4 billion)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

SRI Funds
Bangkok Climate Action Week
Impact crowdfunding

Social Enterprise Thailand Association

Equitable Education Fund
Social Enterprise Promotion Act

² Securities and Exchange Commission. Sustainable Finance Ecosystem of Thailand Capital Market: SRI Fund. <https://sustainablefinance.sec.or.th/Fund>.

Key Developments



Supply and Intermediation of Impact Capital

Pioneering/Early

Few boutique impact investors, DFIs, MFIs, pioneers etc. are piloting solutions and developing new instruments.

- In late 2022, the Securities and Exchange Commission of Thailand (SEC) set up the **Sustainable and Responsible Investing Funds** (SRI Funds). As of January 2025, there are 79 SRI Funds, managed by 16 asset management companies, with total assets under management of THB 50 billion (USD 1.4 billion).
- In February 2025, a fundraising campaign will be launched to support the **Payment for Ecosystem Services** initiative, aimed at preventing forest fires and restoring forest ecosystems in northern Thailand. The campaign will run through the **Bangkok Climate Action Week**, scheduled for September 28 to October 4, 2025.

- **Impact-related crowdfunding** in Thailand is gaining momentum. [Taejai.com](https://www.taejai.com), the country's leading civic crowdfunding for social and environmental impact projects, helped raise THB 72 million (USD 2.1 million) in 2024. There are few peer-to-peer loan platforms that are being used by some social enterprises that have raised tens of millions Baht of funding although the effective loan rate is extremely high (over 12%).



Demand for Impact Capital

Pioneering/Early

Few social entrepreneurs and enterprises are testing our solutions and business models.

- Specialised sector networks and incubators are emerging in Thailand. For example, **SE Thailand**, a social enterprise Thailand association has over 65 members and actively supports its partners by building community and connecting members with external resources and partners. Impact incubators and accelerators, such as **ChangeFusion**, have also developed a large alumni network over the past few years.

Key Developments



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SiBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles.

- In 2023, the government's **Equitable Education Fund** (EEF) launched a 23-month **Social Impact Partnership** (SIP) project with a budget of THB 9 million (USD 261,360) to support early childhood development. The first SIP, an outcome-based contract for ICAP, funds early childhood centre development with upfront capital from philanthropic investors, reimbursed by EEF based on measured outcomes audited by the Thailand Research and Development Institute (TDRI). EEF is exploring additional SIP projects, focusing on involving impact ventures and social enterprises.
- The **Social Enterprise Promotion Office** (OSEP) is responsible for implementing the **Social Enterprise Promotion Act B.E. 2562**, introduced in 2019 as a flagship policy to support social enterprises. The Act is scheduled for review in 2025, with a key anticipated revision being the enhancement of the Social Enterprise Promotion Fund to improve its accessibility and utilisation by registered social enterprises.



Market Building

- UNDP Thailand, the Securities and Exchange Commission of Thailand (SEC) and ChangeFusion developed **ImpactFlow**, an online tool for organisations to develop their impact model that aligns with key impact indicators in Thailand as well as global indicators. ImpactFlow also adopted Impact Management Project (IMP) methodology while supporting practical use of key SDG indicators. The tool is now being used by corporate sustainability projects, social enterprises, impact ventures, as well as non profit organizations.
- On February 6, 2024, TIFI hosted the **“Driving Impact with Transparency”** event, bringing together participants from diverse sectors, including investors, enterprise support organizations, and social entrepreneurs, to discuss the regulatory landscape and best practices for ensuring transparency, quality, and integrity in impact investments in Thailand and abroad.

Publication highlight

UNDP (2019). Mapping the Social Impact Investment and Innovative Finance Landscape in Thailand.



Country Profiles

Europe

Europe

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Ecosystem Overview

The impact investing market in Belgium shows substantial growth potential, with projections indicating it could more than double, **reaching over EUR 30 billion in assets under management in the coming years**. Several impact fund managers have already raised fund sizes beyond EUR 100 million, and mainstream financial institutions, including banks and insurance companies, are increasingly investing in impact projects. Blended finance structures for development finance are also emerging.

However, Belgium has yet to fully leverage new policies and regulations to bolster impact finance. **In this context, the recent IFB's seminal report, "How Policy and Regulation Can Unlock Billions for Impact: Four Opportunities to Boost Sustainable and Impact Investing in Belgium," represents a milestone.** The report outlines key proposals to harness private capital for sustainable development by repurposing state support, unlocking retail savings, stimulating institutional investors, and adopting green budgeting at both federal and regional levels.

Alongside **collaborative initiatives with other European GSG National Partners**, such as a joint statement on the Sustainable Finance Disclosure Regulation (SFDR), Belgium is aligning its impact investment framework with broader European standards for transparency and sustainability.



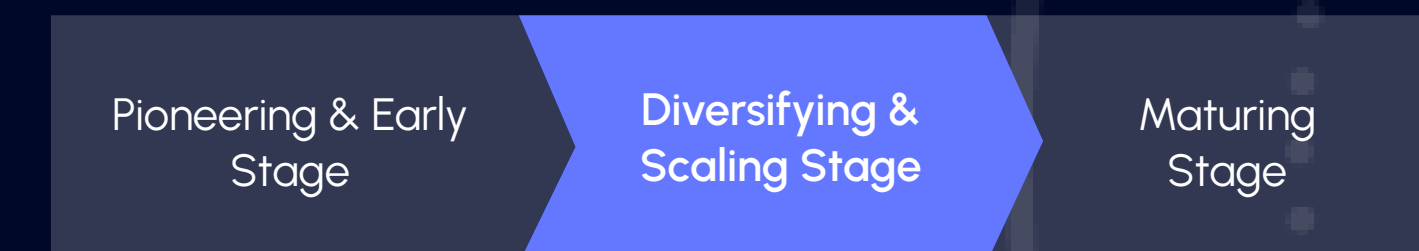
GSG National Partner in Belgium has been represented by **Impact Finance Belgium** (IFB) since 2023 and is composed of 47 members as of 2024.

Impact Investment Market Size as of 2022¹:

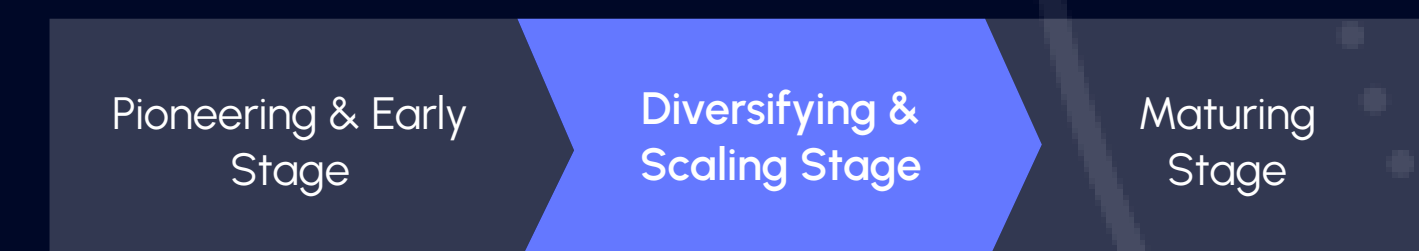
EUR 6-16 billion (USD 6.57-17.54 billion)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Green bond
Blended finance
Sovereign wealth fund

Impact scoring platform
Investment-ready

Policy roadmap

¹ IFB (2022). What if societal impact was a priority on every investor's agenda? <https://impactfinance.be/researches/what-if-societal-impact-was-a-priority-on-every-investorsagenda/>

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- Two main commercial players showed the potential of the **Green Bond product**. In early 2023, **Colruyt Group** issued a EUR 250 million green bond, fully subscribed within 24 hours, demonstrating strong demand. In April 2023, **Ethias**, supported by IFB, issued a 10-year green bond for EUR 250 million, highlighting the potential of green bonds as a financing tool for sustainable projects.
- A **blended finance structure** has been widely adopted among larger development financiers. **Incofin Investment Management** launched a water fund with a first-loss structure, backed by Danone, BNP Paribas, and development banks from Norway, Denmark, and the US, alongside the Dutch government. The fund includes Impact-Linked Loans to benefit its clients.
- **SFPIM, Belgium's sovereign wealth fund**, committed to impact investing, aiming to inspire other investors. Regional actors like Liège-based Noshag and Brussels Finance & Invest have shifted focus toward sustainability, with Brussels Finance & Invest creating impact reporting tools in collaboration with Greenomy to support impact measurement and management.



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- Brussels Finance & Invest (FBI), a Regional Investment Company, developed an **Impact Scoring Platform**, an **impact reporting tool** that evaluates the ESG maturity of its portfolio companies, in collaboration with Greenomy. Recently upgraded to align with the European CSRD directive, the tool emphasises comprehensive social and environmental data reporting. To simplify the complex array of data, FBI collaborated with the ULB to devise an accessible and adaptable approach.
- **Be-Impact** is a boutique platform helping impact entrepreneurs become **investment-ready** and raise funding, connecting more than 700 organisations in the Belgium impact economy.

Impact Investment Deal Spotlights

Company	Total Funding (EUR)	Investor	SDGs
Astanor	\$395 million	N/A	<div>2 ZERO HUNGER</div> <div></div>
Impact expansion	\$150 million	KOIS	<div><div>3 GOOD HEALTH AND WELL-BEING</div><div>4 QUALITY EDUCATION</div><div></div><div></div></div>
SI3 Fund	\$20 million	Shaping Impact	<div>10 REDUCED INEQUALITIES</div> <div></div>
Telos	\$48 million	N/A	<div>13 CLIMATE ACTION</div> <div></div>
Kampani	\$14 million	N/A	<div><div>1 NO POVERTY</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div></div><div></div></div>

Key Developments



Government and Policy

Limited Government Support

Government is often not very involved and does not recognise impact investing as a priority approach. There is no clear regulatory framework yet, and no or few incentives or requirements. There may be major regulatory obstacles.

• In 2024, IFB released a **policy roadmap** suggesting several ways by which policy and regulation can bring in the private sector as a crucial partner and co-financier, supporting the Belgian government to achieve the transition towards a sustainable future and unlock EUR 2.5 to 4 billion. The report presents four proposals:

- Leverage private capital by repurposing State support for projects generating positive environmental and social impact.
- Unlock retail savings to enable citizens to participate in sustainable growth in Belgium.
- Stimulate institutional investors to direct part of their investments towards scaling societal benefits.
- Adopt green budgeting and frameworks at federal and regional levels to facilitate the transition to a sustainable and inclusive future.



Market Building

• IFB published a comprehensive report on **definitions of ESG and impact**, enabling Belgian ecosystem actors to navigate the complex lexicon in the impact investment space and deepen their understanding of ESG standards and reporting methodologies.

Publication highlight

[IFB \(2023\). Annual Barometer Regarding the Belgian Impact Finance Market.](#)

[IFB \(2024\). How Policy and Regulation can unlock Billions for Impact: Four Opportunities to boost Sustainable and Impact Investing in Belgium](#)



Ecosystem Overview

The French impact investment ecosystem is a dynamic and growing market, comprising 92 active players managing a substantial €34,6 billion in assets across 259 investment vehicles. €16.4 billion of this capital is invested in organizations with proven and measured social or environmental impact, primarily on the European continent.

Of the 92 players who contributed to the market sizing efforts in 2023, 41% are generalist management companies (compared to 30% of respondents in 2022), and 37% are impact fund managers (down from 47% in 2022). Private market players support organizations with social and environmental missions, with 39% of them focusing primarily on social SDGs (SDG 1, 3, 4, 6, 8, 10) and 39% on environmental SDGs (SDG 7, 9, 11, 12, 13). Regarding listed assets, based on the SDGs, 44% of vehicles have an environmental focus, 33% have a social focus, and 23% have a general focus. The French market is also witnessing a significant trend towards the convergence of impact investing across both listed and unlisted assets.

Recognised as a pioneer in the development of the social economy, France formalised the concept of social enterprises through the 2014 law on the social and solidarity economy.¹ This law also renewed the ESUS accreditation, which grants social enterprises access to tailored financing and investment mechanisms, addressing their limited profitability and lack of access to market financing.



GSG National Partner in France has been represented by the **FAIR**, **FIR** (French SIF), and **France Invest**.

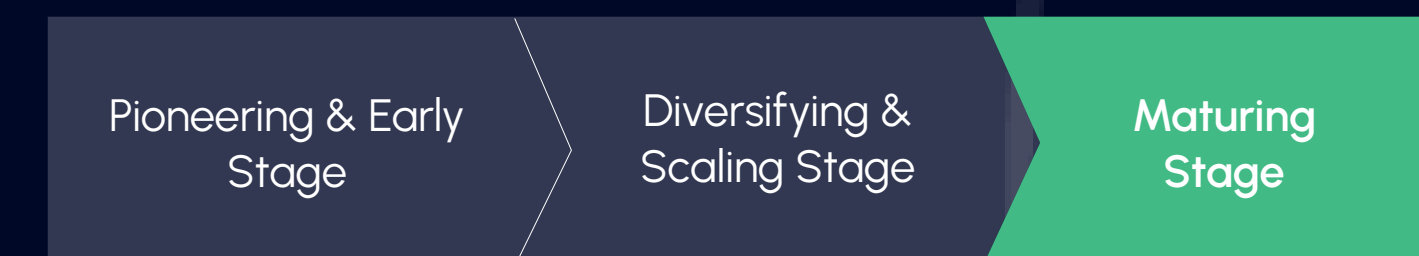
¹LOI n° 2014-856 du 31 juillet 2014 relative à l'économie sociale et solidaire Article 11 (Article 11 of Law No. 2014-856 of July 31, 2014, on the Social and Solidarity Economy). https://www.legifrance.gouv.fr/jorf/article_jo/JORFARTI000029313713

Impact Investment Market Size as of 2023²:

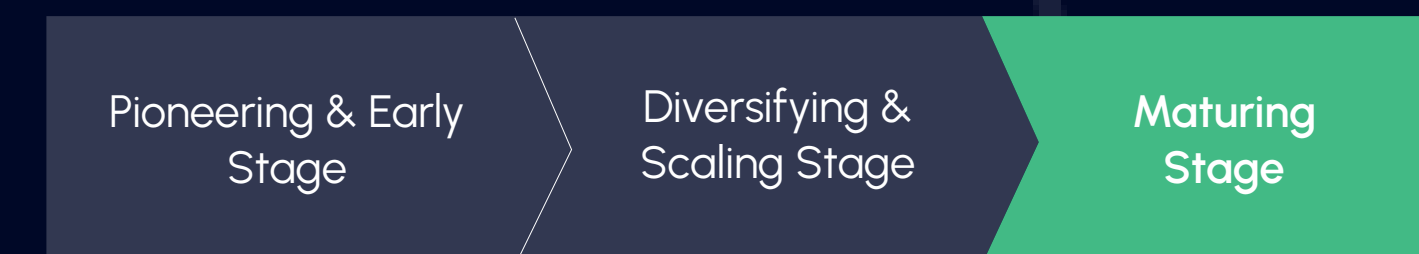
EUR 34.6 billion (USD 16.28 billion)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

MAIF Dette à Impact
Bio Filières Durables fund
Mirova Impact Life Essentials

France 2030
Business for Better Tomorrow

Socially Responsible Investment Label
ESUS accreditation

² Overview of the French Impact Investment Market 2023. <https://www.finance-fair.org/sites/default/files/2023-11/Overview%20of%20the%20French%20Impact%20Investment%20Market%202023.pdf>

Key Developments



Supply and Intermediation of Impact Capital

Scaling/Maturing

A critical mass of investors have joined the market, and mainstream players (e.g., pension funds) are getting involved. Many contending players who want to scale their views or solutions for impact.

- MAIF, a leading French insurer committed to responsible investment, and Eiffel Investment Group, an independent asset manager and pioneer in private impact debt, have joined forces to launch **MAIF Dette à Impact** in 2022. Classified as Article 9 under SFDR regulations and Luxflag ESG labelled, this evergreen fund, with an initial size of €120 million, finances French and European companies committed to the ecological and inclusive transition.
- The **Bio Filières Durables fund**, dedicated to supporting the French organic sector targeting €40 million, has completed its fundraising with the participation of the Banque des Territoires, operator of France 2030's Entrepreneurs du Vivant programme³, with an investment of €6 million.
- Mirova, a subsidiary of Natixis Investment Managers dedicated to sustainable finance, launched the **Mirova Impact Life Essentials** (MILE) fund, targeting €200 million for its new societal impact private equity strategy.



Demand for Impact Capital

Scaling/Maturing

A critical mass of impact businesses exist, and mainstream players (e.g., corporates) are getting involved. Many contending players who want to scale their views or solutions for impact.

- Mouvement Impact France leads the **Business for a Better Tomorrow**, the coalition of 18 impact business networks across Europe in view of the 2024 EU elections. The coalition calls for the establishment of a regulatory framework favorable to the development of impact businesses and for the acceleration of the environmental and social transformation of the European economy.

³ The 'Entrepreneurs du vivant' programme, aimed at facilitating farmland access for new farmers and supporting innovation and the agri-ecological transition, has been launched with €395 million in funding from France 2030.

Key Developments



Government and Policy

Established Government Support

Government as one of the most important partners for scale, recognises impact investing as the way forward and integrates it in its strategy and policies. Proactively seeks feedback from the market and works to address regulatory hurdles.

- A new version of the socially responsible investment (SRI) label was launched, which aims to standardise socially responsible investments, implement more stringent ESG screening standards, and promote the development of climate action.
- **ESUS accreditation** allows social enterprises to access specific financing and investment mechanisms, to balance their lack of access to market financing and their limited profitability. Among these mechanisms are:
 - **Solidarity employee savings.** All employees' savings plans are required to offer at least one social impact fund, also called a "90/10 fund". Those funds earmark 5% to 15% (new ceiling voted in 2024) of their resources to financing the solidarity and social economy, and hence ESUS accredited structures; the remaining 85% to 95% must be managed following ISR & ESG principles.
 - **Regulated savings accounts.** Since 2020, two of the main regulated savings accounts, the Livret A and the LDDS, are required to devote 5% of their resources to the financing of ESUS-accredited organizations. Furthermore, the LDDS also has a donations mechanism: every year, a donations campaign is directed towards all savers, offering them to donate a part of their savings to a selection of ESUS organizations.
 - **Solidarity whole life insurance.** Following recent developments in French law, all life insurance plans will be required to offer investment in at least one solidarity fund (90/10 funds, see above) starting 2022.
 - **IR PME ESUS tax reduction.** To encourage private investment into ESUS organizations, the French government has put tax reductions. Until the end of 2025, private investors can benefit from a 25% tax reduction.



Market Building

- The **Institute for Sustainable Finance** launched a working group dedicated to impact finance in March 2021, at the initiative of the ministry of Economy, Finance, and Recovery. This impact working group brings together more than 150 institutions from the Paris financial community and resulted in the publication of various deliverables and tools:
 - The **Impact Investor Charter** set out the principles to be respected in order to define oneself as an "impact fund", in line with the market definition, and commits signatory funds to applying the grid;
 - The **Impact Potential Evaluation Grid**, updated and adapted to different asset classes, with associated explanatory notes for listed and unlisted equities.

Publication highlight

[Overview of the French Impact Investment Market 2023.](#)



Ecosystem Overview

Germany is undergoing a significant transformation in its economic and financial systems, with sustainability increasingly influencing both public and private sector decisions. Impact investing has become a key driver in this transition towards a just and sustainable economy. The urgency of this shift is reinforced by global and regional goals such as the United Nations' 2030 SDGs and the European Union's 2050 carbon neutrality target. Encouragingly, a growing number of investors in Germany are transitioning from broader ESG-focused investments to impact investing, recognising its potential to drive meaningful socio-economic and environmental change.

However, impact investing is still not clearly differentiated from other sustainable investment approaches like ESG investing. Furthermore, there is a lack of widely accepted harmonised impact measurement and management systems. Addressing this, the development of harmonised processes, is vital to ensuring the growth and reliability of the impact investing sector.

Additionally, the recent EU Green Deal regulation is putting pressure on capital markets as well as on companies to jointly fulfil the regulatory sustainability requirements. The regulation poses challenges but also offers chances. Impact investors see opportunities that will foster innovation and enable the scaling of socio-ecological solutions for a regenerative economy within planetary and social boundaries.



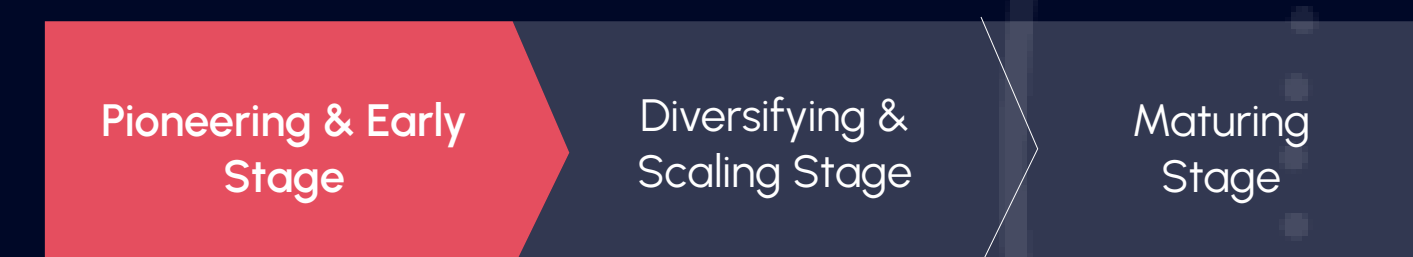
GSG National Partner in Germany has been represented by **Bundesinitiative Impact Investing** (BIII) since 2017 and is composed of 120 members as of 2024.

Impact Investment Market Size as of 2022¹:

EUR 38.9 billion (USD 42.79 billion)

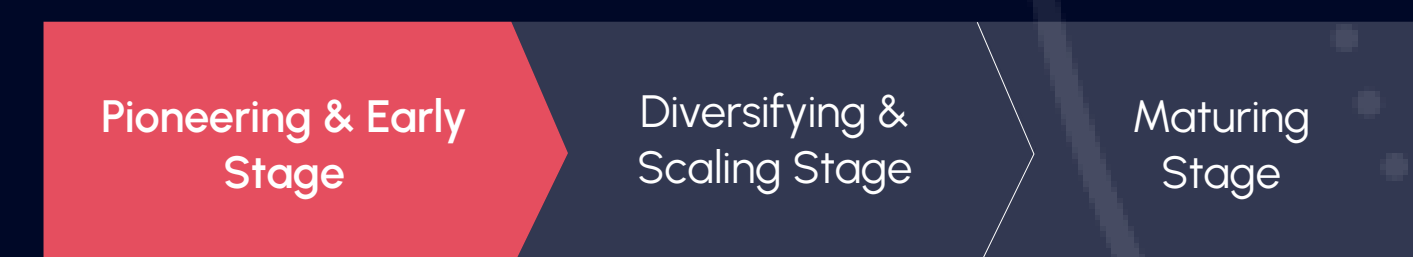
Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Impact investment wholesaler

Demand for Impact Capital



Enabling Impact Investing

Government and Policy



Green Bond Framework

National Strategy for Social Innovation and Social Enterprises

Supply Chain Due Diligence Act

¹ Bundesinitiative Impact Investing (2022). Impact Investing in Germany - Market Study Summary. <https://bundesinitiative-impact-investing.org/publikationen/impact-investing-in-germany-2022-market-study-summary/>. A more up-to-date market size and related initiatives will be available in the upcoming second market size study, conducted by BIII, scheduled for release in Q4 2025.

Key Developments



Supply and Intermediation of Impact Capital

Pioneering/Early stage

Few boutique impact investors, DFIs, MFIs, pioneers etc. are piloting solutions and developing new instruments.

- Since 2021, **Social Entrepreneurship Network Germany** (SEND) has been leading the “Nachrichtenlose Konten (dormant accounts)” initiative to establish the **impact investment wholesale fund** to support social innovation financed through unclaimed assets by convincing the Federal Government to bring forward legislation.

⁶To learn more, see GSG Impact (2024). Impact Investment Wholesalers and Fund of Funds. <https://www.gsgimpact.org/resources/publications-and-reports/impact-investment-wholesalers-and-fund-of-funds-design-insights-from-the-gsg-impact-partnership/>



Demand for Impact Capital

Pioneering/Early stage

Few social entrepreneurs and enterprises are testing solutions and business models.

- **Enabling Impact Investing**, a programme run by BIII and funded by the Federal Government, seeks to enhance transparency in impact investing for startups. It aims to promote standardised impact measurement and evaluation, build a database to share case studies on impact investing and foster connections between impact startups and investors.



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles. Government capacity and political support may still be limited.

- Deutsche Bank and DZ Bank will update **Germany’s Green Bond Framework** by 2025, building on the issuance of over €73 billion in Green Bonds since 2020 under the successful “Twin Bonds” model, which enables investors to select between green and conventional bond options for their portfolios. **The updated framework** is expected to further attract investor interest and potentially boost the scope of sustainable projects funded through its Green Federal Securities.
- In 2023, the Federal Ministry for Economic Affairs and the Federal Ministry of Education and Research jointly launched the **National Strategy for Social Innovation and Social Enterprises**. The strategy encompasses 70 diverse measures designed to enhance access to funding and advisory services for social entrepreneurs, while also establishing a tailored legal framework.
- In 2023, Germany enacted the **Supply Chain Due Diligence Act** to improve human rights and environmental standards in global supply chains. The law mandates corporate due diligence to prevent human rights abuses and uphold environmental standards.

Key Developments



Market Building

- BII has launched a series of **working groups** to enhance understanding and analysis of impact investing and address the unique challenges around the sector through peer-to-peer learning and facilitating the exchange of experiences. Themes of working groups include IMM, Frontier and emerging markets, impact investing and real estate, institutional impact investing, and private investor and family offices.
- To support local efforts and grow the community, BII also established seven regional chapters. These chapters focus on regional networking, coordinating impact investing activities, and facilitating peer-to-peer learning and experience exchange.

Publication highlights

Bundesinitiative Impact Investing (2022). Impact Investing in Germany - Market Study Summary.



Ecosystem Overview

After a prolonged period of economic challenges from 2009 to 2019, Greece has rebounded, with GDP growth projected at 2.1% in 2024, regaining its investment-grade credit rating for the first time in over a decade, and making it a more attractive destination for international investors. The country has also been setting new annual records for foreign capital inflows, driven by political stability and a series of modernisation reforms aimed at improving the business environment.¹

While Greece excels in renewable energy advancement and has become a vital energy hub in the region², the broader impact investment ecosystem is at its early stages particularly. This is primarily due to the limited size of the venture capital and generally alternative investment markets, which limits the availability of high-quality impact deal flow needed to finance innovations and scale new solutions.

Furthermore, the Greek government has begun incorporating sustainability into its targets and regulatory initiatives across various sectors, showing promising progress toward a focus on impact. This evolving landscape presents an opportunity to establish clear, effective frameworks from the outset. Simplicity and clarity will be essential, given the complexities of local legislation.



GSG National Partner in Greece has been represented by the Hellenic Impact Investing Network (HIIN) since 2022 and is composed of 5 members as of 2024.³

¹European Commission (2024). In-Depth Review 2024 - Greece. https://economy-finance.ec.europa.eu/document/download/ec8c0188-6d08-4b5c-bd7a-36f96ef4f962_en?filename=ip281_en.pdf

²Hellenic Association for Energy Economics (2024). 2024 Greek Energy Market Report. <https://www.haee.gr/newsroom/news/haee-news/gemr-2024/>

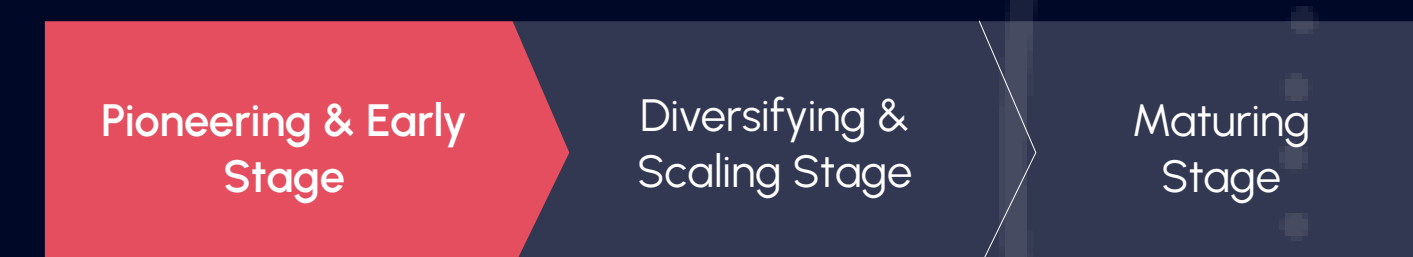
³HIIN was founded in 2018 and encompasses 14 Advisory Board Members. To know more, see here: <https://thehiin.org/the-national-advisory-board/>

Impact Investment Market Size as of 2023⁴:

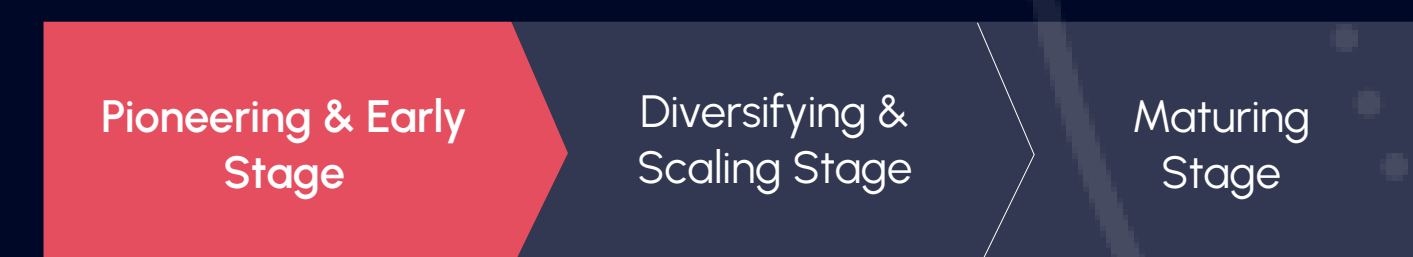
EUR 1.67 billion (USD 1.78 billion)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Action Finance Initiative

Foundations and family offices

Impact Hub Athens

Accelerators and crowdfunding platforms

Growthfund for Greece

ESG reporting guide

Islands Decarbonization Fund

⁴This figure represents total capital invested (unlisted direct investments). HIIN (forthcoming). The 1st Hellenic Impact Map & Impact Report. <https://thehiin.org/impactmap/>

Key Developments



Supply and Intermediation of Impact Capital

Pioneering/Early

Few boutique impact investors, DFIs, MFIs, pioneers etc. are piloting solutions and developing new instruments.

- There are few existing impact initiatives and dedicated investors like, the **Action Finance Initiative (AFI)** Greece's first microfinance institution (microloans up to €25,000), Helidoni Group that focuses on impact start-ups, Sporos Platform that is looking at more established businesses with a sustainability angle, and dedicated funds such as UniFund Greece and Pella Ventures. There are at least also 4-5 new impact fund initiatives that the HIIN is closely monitoring.
- Greece is famous for their **foundations and family offices**, especially linked to shipping, financial services and real estate with rich activity in environmentally and socially linked initiativesIndicatively major foundations include Stavros Niarchos Foundation, Onassis Foundation, Bodossaki Foundation, Latsis Foundation, Captain Vassilis and Carmen Foundation, and Athina I. Martinou Foundation. Areas of interest include environmental conservation, social welfare, education and cultural development, although not yet clearly articulating impact strategies within their core portfolios.



Demand for Impact Capital

Pioneering/Early

Few social entrepreneurs and enterprises are testing our solutions and business models.

- A major milestone is the upcoming launch of Greece's first multi-stage **Impact Accelerator & Investment Readiness Programme** in 2025, designed by HIIN, **Impact Hub Athens**, and other partners. This three-stage programme will provide structured support to social enterprises and impact-driven ventures, enhancing their ability to attract investment and scale sustainable solutions in Greece's growing impact ecosystem.
- Greece has an increasing number of **accelerators and crowdfunding platforms**, and can include impact start-ups, but do focus exclusively on impact. To name a few more established ones: NBG Business Seeds, EGG Accelerator, Envolve Entrepreneurship, Start-Up Universe Greece and Seedraised. The most impact relevant is ClimAccelerator, a sustainability accelerator launched by Impact Hub Athens in 2022, that provides funding, mentorship, and business development support to climate related early-stage ventures.
- Beyond social enterprises in the non-profit sector, some **ventures** with a clear impact focus include Brite Solar (agritech solar solutions), Solmeyea (microalgae-based protein), Openfarm (agritech digital platform), Dataphoria (sustainability data analytics), Phee (upcycled natural waste products), FarmAir (AI-driven precision agriculture), and Swaplanet (circular economy for children's goods).
- Large-scale **sustainability projects** are advancing, including the Ellinikon Project (green urban hub redevelopment), Astypalaia e-mobility transformation (Volkswagen-led initiative), and the White Dragon Hydrogen Project (renewable hydrogen production for clean energy transition).

Key Developments



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles. Government capacity and political support may still be limited.

- In June 2024, **Growthfund for Greece**, the largest National fund in Greece with an AUM of €5.5 billion, has progressed with its strategic direction into sustainability and impact investing, by announcing the establishment of its **new sovereign wealth** fund with an initial capital of €300 million, designed to advance the country's green transition and digitalisation.
- In 2022, the Athens Stock Exchange revised its **ESG Reporting Guide** to align with legislative changes and evolving sectoral trends. The update included a reclassification of certain metrics within the 'core,' 'advanced,' and 'sector-specific' categories, and the addition of new metrics across these categories.



Market Building

- The **Hellenic Impact Investing Conference** (#HIIC23 & #HIIC24), organised by HIIN, has emerged as a leading regional event, connecting global impact investors, experts and impact start-ups, and promoting sustainability trends in Southeastern Europe.
- **Academic institutions**, including **Athens University of Economics and Business**, **University of Pireaus MBA Sustainability Programme**, and **ALBA Graduate Business School**, are developing impact investing education, with the first HIIN-supported academic program expected in 2025.
- HIIN, in collaboration with local and global partners, is developing several key initiatives set to launch and progress in 2025-2026. These include an Access to Finance programme for Micro, Small & Medium Enterprises (MSMEs), an Impact Carbon initiative focused on Mediterranean forest conservation, and a Decarbonization of Shipping initiative aimed at reducing emissions in the maritime sector.

Publication highlight

HIIN (forthcoming). The 1st Hellenic Impact Map & Impact Report.



Ecosystem Overview

Israel's well-established technology and innovation ecosystem provides a robust foundation for impact-driven enterprises. With over 300 investment funds operating in Israel—one-third of which are international—the investment landscape is both diverse and highly active. However, impact investing remains an emerging field that requires enhanced awareness, deeper expertise, and stronger coordination among stakeholders.

The impact investment market is currently in a scaling phase, marked by successful pilot programs that are attracting catalytic capital. Concurrently, government initiatives are signalling institutional investors to integrate social and environmental impact considerations into their investment strategies. A key strength of Israel's impact ecosystem lies in its advanced impact measurement and management capabilities, driven by applied research, rigorous methodologies, and a deepening pool of experts. Furthermore, macroeconomic trends shaping the impact ecosystem include Israel's strong venture capital culture, the growing emphasis on ESG considerations among institutional investors, and government-backed initiatives promoting blended finance models.

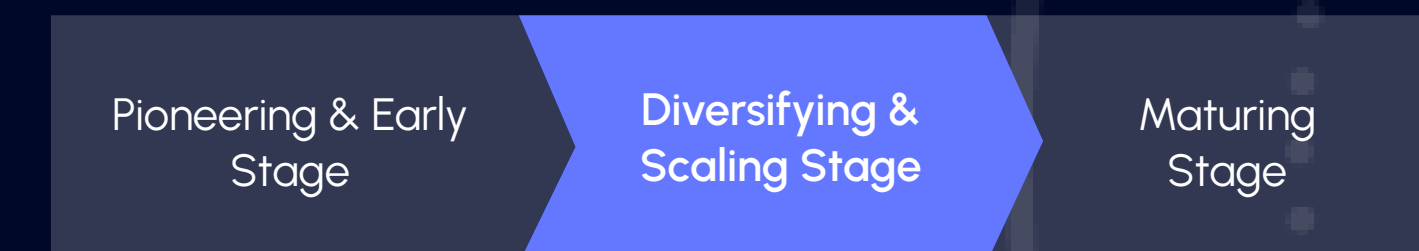
In particular, between 2023 and 2024, Israel's innovation ecosystem showed resilience across four key impact sectors: climate tech, health tech, agrotech, and food tech. Climate tech saw continued growth, with 10 new startups and \$403M raised in 54 rounds—40% in late-stage funding, signaling maturity. Health tech funding reached \$1.2B in 2024, with average deal size doubling to \$4.6M, reflecting a shift toward larger investments. Agrotech attracted \$300M across 76 rounds (down from \$550M in 2023) but saw a surge in water and irrigation technologies, comprising 40% of investments. Food tech faced global headwinds, raising \$134M in 27 deals but maintaining innovation potential. These sectors highlight Israel's leadership and ecosystem transformation in high-impact, tech-driven solutions.

Impact Investment Market Size as of 2023¹:

NIS 2.8 billion (USD 767 million)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Ogen Social Loan Fund

MAAYAN Fund

Iron Nation

Pears Challenge

National Recovery and Growth Fund

¹ IFIE (2024). Israeli Impact Investments Market Sizing. https://www.ifie.org.il/_files/ugd/3dfc2b_48f6c365751a4501948ab8ac963c18d9.pdf

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- **Ogen Social Loan Fund** expands access to capital for early-stage impact ventures and nonprofit organizations by providing affordable, below-market-rate loans. These funds empower enterprises that generate social value but face challenges in securing traditional financing. As of 2023, Ogen has disbursed over NIS 2.31 billion in loans, supporting more than 9,300 small businesses and social enterprises.
- The first of its kind in Israel, **MAAYAN Fund** is a student-led VC fund that will invest in early-stage impact startups to strengthen the University's ecosystem. Managed by students from the Hebrew University Business School, the fund will contribute to the school's entrepreneurship and innovation ecosystem. Funding will be raised from investors who seek an opportunity to invest in unique start-ups and to build a unique ecosystem at the Hebrew University.
- **Iron Nation**, a \$20 million fund, operates without management fees or carried interest. It is a volunteer-driven organisation led by hi-tech executives, with members contributing their unique expertise to strengthen Israel's financial resilience. IFIE played a crucial role in Iron Nation's success by significantly contributing to fundraising and the expansion of assets under management.



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- The **Pears Challenge** is a venture-building programme that supports first-time founders to develop tech solutions for social and environmental challenges in developing markets. Since its inception in 2014, the programme has helped participating startups raise over \$22 million in seed financing and contracts and pilot their technologies markets throughout Africa, Asia, and the Caribbean.
- In 2023, **8200 IMPACT** launched **ACCESS 2023**, an inclusive mobility acceleration programme supporting startups focusing on mobility solutions for underrepresented communities. In addition, in collaboration with the **Israel Innovation Authority**, the **Haifa Innovation Labs** (HIL) initiated a program aimed at integrating diverse populations, including ethnic minorities, into the impact entrepreneurial ecosystem.
- The **Haile Fund** ("within my power" in Amharic) was launched to support pre-seed and seed-stage startups founded by Ethiopian-Israeli entrepreneurs. The fund seeks to advance diversity and inclusivity in Israel's high-tech sector by providing early-stage capital, mentorship, and strategic support. In addition to direct investment, the Haile Fund, in collaboration with the Israel Innovation Authority, is launching Haile Scale, an entrepreneurship and acceleration programme designed to equip its portfolio companies with the tools and knowledge needed to scale.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Type of Funding	Investor	SDGs
Ogen	\$142 million	50% concessional funding 50% impact investment	Diverse investors and philanthropy	8 DECENT WORK AND ECONOMIC GROWTH
Good company - Venture Capital Firm	\$30 Million	Equity	Undisclosed	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Emergency Loan Fund	\$25-75 million	Below-market loan	Jewish Federations of North America and partners	8 DECENT WORK AND ECONOMIC GROWTH
Undisclosed NGO	\$750,000	Impact Loan	Edmond de Rothschild Foundation Israel	4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH

Key Developments



Government and Policy

Limited Government Support

Government is often not very involved and does not recognise impact investing as a priority approach. There is no clear regulatory framework yet, and no or few incentives or requirements. There may be major regulatory obstacles.

- The **National Recovery and Growth Fund** is being established by the IFIE in collaboration with the Israeli Accountant General. This fund aims to tackle market failures that are hindering economic recovery in Israel's southern and northern regions by blending government, philanthropic, and private capital. IFIE is working with stakeholders to develop financial models and identify opportunities within member organizations. This initial fund is a step toward establishing a national wholesale impact investment fund in the future.
- **Tkuma**, Israel's government-backed reconstruction initiative, is leveraging a \$300 million budget to enhance energy security and storage in the southern periphery. A key focus of the plan includes developing resilient energy infrastructure, integrating advanced storage solutions to ensure continuous power supply, and fortifying energy independence for local industries and residents.



Market Building

- IFIE, in partnership with the Kayama Centre for Social Innovation and Impact Entrepreneurship, has established an **IMM training programme** to equip public servants and impact venture managers with the necessary tools for impact measurement and management. Additionally, IFIE has created an **online IMM platform** to assist impact entrepreneurs in effectively managing and measuring their impact.
- The **Housing Round Table** in Israel fosters collaboration among philanthropic investors, real estate developers, financial intermediaries, academic institutions, local authorities and private sector investors to advance social housing solutions across the country. By working together, the Round Table has facilitated impactful policy changes, such as a recent initiative by the Accountant General to encourage social urban renewal projects spearheaded by local authorities.

Publication highlight

IFIE (2024). Israeli Impact Investments Market Sizing

IFIE (2024). Blended Finance Mechanisms for Economic Recovery and Growth



Ecosystem Overview

Italy's impact finance market has significant growth potential, driven by the increasing availability of impact capital and a strong non-profit sector. The country faces pressing social and environmental challenges, such as an aging population, depopulation in fragile areas, and a shrinking middle class, which public resources alone cannot address. These structural issues create demand for innovative impact financing solutions.

Despite the absence of strong policy incentives, impact investing is expanding, with a 33% increase in AUM from 2021 to 2022, reaching EUR 9.28 billion. 75% of AUM is managed by banking organisations, 21% by impact fund managers and 4% by institutional investors. 45% of operators have a "radical impact approach" (i.e. adherence to principles of impact triad: Intentionality, Measurability, Additionality) and 55% have a generalist impact approach.

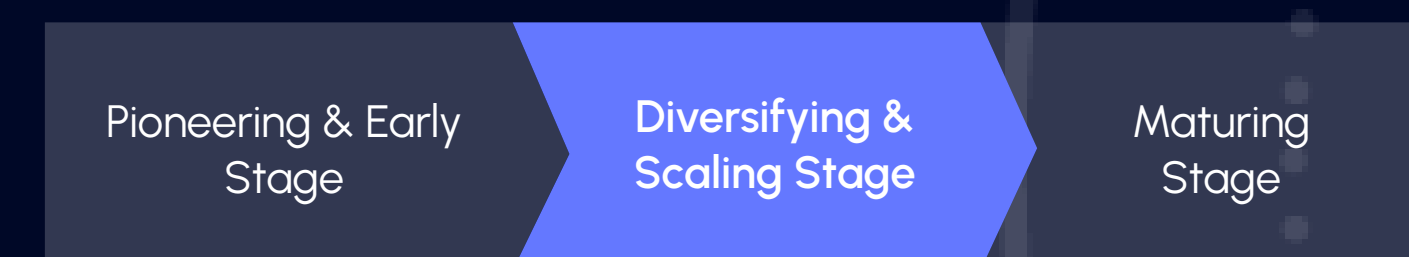
Furthermore, demand for impact capital in Italy is characterised by a process of diversification of organizational forms and business models, as a consequence of the regulatory developments of recent years and a reference market increasingly oriented towards the optimisation of available public resources. On average, investors still detect a gap in the investment readiness of these companies, especially in relation to capital solidity and the ability to deploy advanced economic and financial skills. On the other hand, however, there is an increase in companies capable of working in highly specialised and innovative sectors, especially among those that adopt "profit for purpose" organizational forms.

Impact Investment Market Size as of 2022¹:

EUR 9.28 billion (USD 10.2 billion)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Institutional investor

Banking foundations

Demand for Impact Capital



2017 Third Sector Reform

Government and Policy



National Plan for Social Economy

¹SIA (2023). Finance for Impact. 2023 Italian Outlook. <https://www.socialimpactagenda.it/wp-content/uploads/2024/01/FINANCE-FOR-IMPACT.pdf>

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- At the end of 2023, the largest **institutional investor**, Fondo Italiano d'Investimento SGR, launched the first Fund of Funds focused on impact investing, classified as art.9 of the SFRD (Sustainable Financial Disclosure Regulation EU 2019/2088). At the beginning of 2025, the Fund invested in 5 art. 9 impact funds (including Sefea Impact sgr), with a commitment of EUR 84 million and a target size of EUR 120 million.
- The major **banking groups** (such as Intesa Sanpaolo, Unicredit, Banco BPM) have stabilised impact programs in their medium-long term strategies. For example, Intesa Sanpaolo (Italy's largest bank) launched a huge initiative at the end of 2023 to support the impact economy through a fund that will allocate \$ 1.5 billion to the reduction of inequalities in the country. Banking foundations are also key players, with the number engaged in impact investing rising from 12 to 16 in 2024. These foundations provide over EUR 1 billion annually in grants, often supporting local initiatives that can transition into impact businesses.

- In mid-2024 Sefea Impact sgr, partner of SIA, launched its second impact investment fund dedicated to social cooperatives and other non-profit organizations, **Fondo Cooperazione e Terzo settore**. The anchor investor is Fondo Italiano d'Investimento which, together with Fondazione con il Sud, Fondazione Peppino Vismara and Fondazione di Modena, has provided resources for the first closing at EUR 20 million.



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- Italy hosts over 14,800 social cooperatives and 30,000 social enterprises, forming a diverse demand base for impact capital. The **2017 Third Sector Reform**, though still incomplete, has expanded investment opportunities by allowing profit distribution (with limitations) and broader commercial activities in public interest sectors. These regulatory advancements have strengthened the financial viability of social enterprises, fostering a more structured and investment-ready ecosystem while enhancing their capacity to mobilize private capital and scale sustainable impact-driven solutions.
- **Foundations** provide critical non-financial support, including capacity building and entrepreneurial assistance. Initiatives such as the Fondo per il Contrasto alla Povertà Educativa and Fondo Repubblica Digitale focus on tackling educational and digital inequality through impact finance.

Key Developments



Government and Policy

Limited Government Support

Government is often not very involved and does not recognise impact investing as a priority approach. There is no clear regulatory framework yet, and no or few incentives or requirements. There may be major regulatory obstacles.

- The Ministry of Economy and Finance established a working group dedicated to developing a **National Plan for Social Economy** in 2024, tailoring the European Social Economy Action Plan's guidelines to Italy's specific needs. As part of the working group, SIA authored a position paper, **Towards an Impact-driven Plan for Social Economy**, which outlines proposals for policies and strategies guided by a holistic impact framework for the social economy.

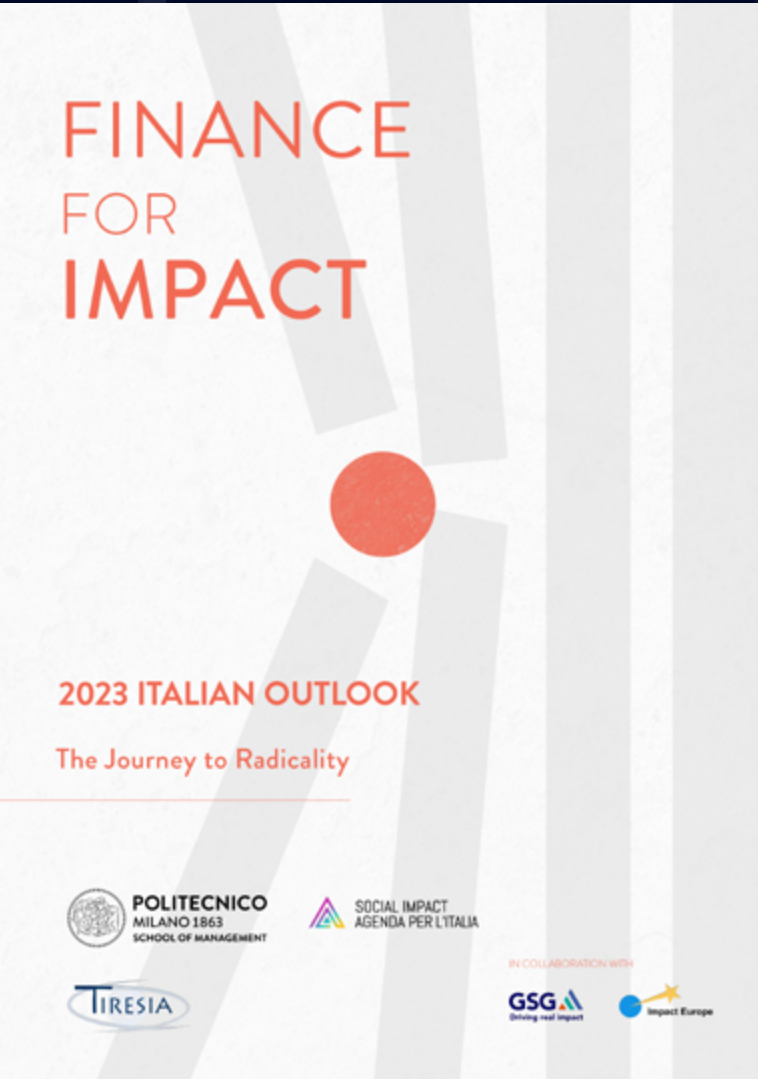


Market Building

- In 2024, SIA carried out the research **"Impact renewable energy communities. Impact investing tools for the just transition"**, which identified and analysed the most effective investment and impact finance solutions within the context of CERs, starting from their technical and financial modelling.
- Following the efforts and the work carried out with GSG European NPs for a **harmonised market study in Europe**, in 2024 SIA published the study **"Finance for impact – 2023 Italian Outlook. The journey to radicality"**, a quantitative analysis of the Italian ecosystem and its possible future developments.
- SIA organised together with GSG Impact and the Human Foundation "Impact Now" an international event that delved into the transitions needed in global capitalism to build a new economy for people and the planet.

Publication highlight

Social Impact Agenda per l'Italia – Politecnico di Milano/Tiresia (2023). Finance for Impact: 2023 Italian Outlook.



Ecosystem Overview

The Netherlands is a global leader in impact investing, with €150-180 billion in 2020 in assets already directed towards impact by pension funds, asset managers, and public investors. This accounted for 4-6% of Dutch assets under management. Front-runners are driving progress, particularly in addressing societal challenges like energy transition, affordable housing, circular economy and biodiversity and already some leading investors have adopted the 10% target.

Despite a maturing impact investing ecosystem, **the Dutch financial sector remains conservative, and government involvement is limited.** Clarifying impact investing definitions, stimulating data, supporting knowledge and best practice-sharing, while removing legal and regulatory barriers and improving financial frameworks are key steps recommended to unlock the sector's full potential and mobilise additional public and private capital.



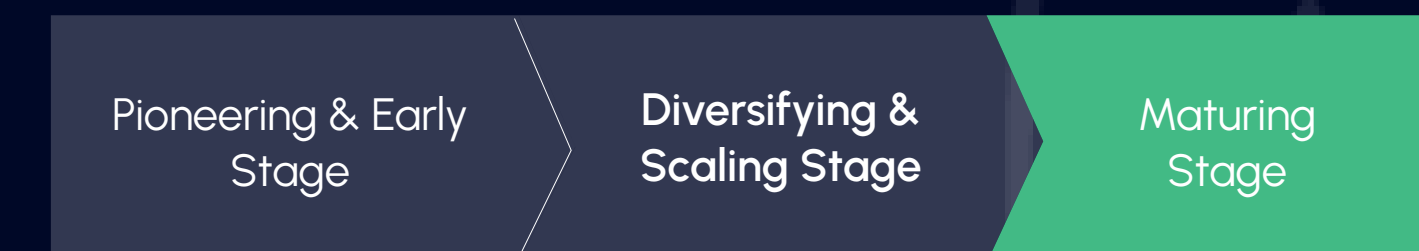
GSG National Partner in the Netherlands has been represented by the **Foundation Netherlands Advisory Board on Impact Investing** (Stichting NAB) since 2020 and is composed of 27 members as of 2024.

Impact Investment Market Size as of 2020¹:

EUR 150-180 billion (USD 165-198 billion)

Ecosystem Stage At A Glance

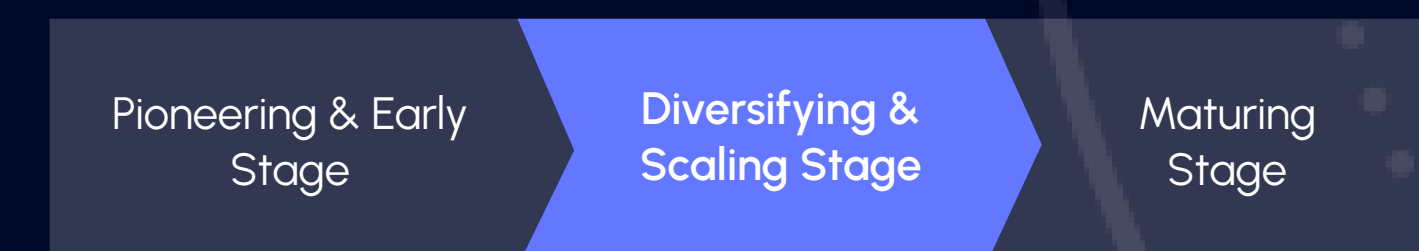
Supply and Intermediation of Impact Capital



Pension funds

10% Target Program

Demand for Impact Capital



Social Enterprise NL

ANBI

Government and Policy



Sustainable Finance Strategy

Sustainable Finance Platform

Invest-NL

¹Stichting NAB (2022). Impact investing in the Netherlands: status quo, barriers and ways to unleash further growth. <https://www.nabimpactinvesting.nl/mapping>

Key Developments



Supply and Intermediation of Impact Capital

Scaling/Maturing

A critical mass of investors have joined the market, and mainstream players (e.g., pension funds) are getting involved. Many contending players who want to scale their views or solutions for impact.

• Pension funds are key drivers of impact investing in the Netherlands, allocating €75.5 billion in impact-focused assets under management.² Notably, the **ABP pension fund**, one of the largest in the country, has set a goal to allocate €30 billion to impact investments by 2030, focusing on areas such as climate solutions, biodiversity, and affordable housing, and making landmark investments in emerging economies via DFIs.

• The Stichting NAB is leading a campaign, the **10% Target Program**, focused on institutional investors, for them to issue a target to allocate 10% of their AUM to impact investments by 2025, with a specific 4% allocation to emerging markets by 2030. An increasing number of organisations are publicly or privately adopting this target. For example, a.s.r. and Achmea, two leading insurance companies, have publicly committed to the 10% allocation, while several other insurance companies and pension funds have reportedly adopted the target internally.

² Stichting NAB (2022). Impact investing in the Netherlands: status quo, barriers and ways to unleash further growth. <https://www.nabimpactinvesting.nl/mapping>



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- Since 2012, **Social Enterprise NL** has been a driving force in strengthening the ecosystem for social enterprises in the Netherlands by offering targeted business support and acceleration programs. These initiatives have benefited over 390 members, helping social enterprises scale their impact and improve their business models.
- In 2024, the **ANBI** (public benefit organisations/foundations) regulations were amended to extend the existing tax breaks for grants to include impact investments aligned with the same mission. This change is expected to unlock additional funding for impact investments.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Investor	SDGs
Greystar	\$420 million	APG on behalf of ABP	11 SUSTAINABLE CITIES AND COMMUNITIES
Dutch Social Impact Real Estate Partnership	\$400 million	ABP and APG, bpfBOUW and BOUWinvest	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
M&G	\$400 million	MN on behalf of PME and PMT	11 SUSTAINABLE CITIES AND COMMUNITIES
Driveco	\$250 million	APG on behalf of ABP	7 AFFORDABLE AND CLEAN ENERGY
Amvest	\$250 million	PGGM on behalf of PFZW	3 GOOD HEALTH AND WELL-BEING

Key Developments



Government and Policy

Limited government engagement

Government is often not very involved and does not recognise impact investing as a priority approach. There is no clear regulatory framework yet, and no or few incentives or requirements. There may be major regulatory obstacles.

- In 2023, De Nederlandsche Bank (DNB) updated its **Sustainable Finance Strategy** to address the evolving demands of a rapidly changing social and environmental landscape. Originally launched in July 2021 for the 2021-2025 period, the strategy focuses on integrating sustainability risks into financial supervision and stability assessments, incorporating climate considerations into monetary policy and payment systems, and embedding environmental factors into economic models and research.
- The **Sustainable Finance Platform**, established by De Nederlandsche Bank (DNB) and the Dutch Authority for Financial Markets, fosters collaboration among banks, insurers, pension funds, regulators, and other stakeholders to integrate sustainability into financial practices in the Netherlands. The platform focuses on addressing climate risks, biodiversity loss, and social impacts through knowledge sharing, best practices, and actionable strategies.
- Established in 2020, **Invest-NL**, the **national investment bank**, has been actively fostering dialogue between the government and pension funds. Its primary objectives are to de-risk investments by mitigating associated risks and to aggregate smaller deals by consolidating them into a unified fund, thereby enhancing investment efficiency and scale.



Market Building

- Both in **2023** and **2024**, the Stichting NAB released **Dutch pension funds investment reports** to show the latest deals and trends among institutional investors – i.e., pension funds and their asset managers, and the fund(s). Lately, the number of smaller-size tickets has been a trend in the Netherlands, showing that pension funds can scale down and pursue this type of investment strategy.
- In December 2024, the Stichting NAB joined forces with **Co-Financing Our Future** (CoFoF), another Dutch impact investing network for PE/VC, creating the leading impact investing platform in the Netherlands and adding deal-sharing events to its range of activities to engage, inspire and catalyse the Dutch ecosystem.
- The Stichting NAB launched the **Young NABs** initiative, connecting young professionals under 35 working for NAB member organisations during regular informative and networking events.

Publication highlight

Stichting NAB (2022). Impact investing in the Netherlands: status quo, barriers and ways to unleash further growth.

Stichting NAB (2024). On the Way to 10% for Impact, The state of impact investing in the Dutch institutional investment sector.



Ecosystem Overview

Norway's impact investment ecosystem is gaining momentum, with **26 organisations reporting over NOK 100 billion (USD 8.9 billion) in direct impact investments, and NOK 77 billion (USD 6.8 billion) without Norfund (DFI) investments.** This reflects a growing commitment to aligning financial activities with social and environmental goals.

Norway's innovation ecosystem is increasingly focusing on impact-driven companies in sectors like renewable energy, maritime innovation, and circular economy. However, despite Norway's robust and stable economy, the country is not immune to global challenges. Raising capital has become more difficult, with slower funding processes and lower valuations for startups. A key barrier to increased impact investment activity is the limited pipeline of impact-driven companies. To further stimulate growth, stakeholders have identified the need for standardized market practices, knowledge sharing, and better exit options.

Key stakeholders also advocate for expanding collaboration between public and private stakeholders to improve funding for early-stage impact ventures and to mobilise capital for emerging and developing markets. Norway is well placed in driving more impact investment volume leveraging strong renewable energy and technology sectors to anchor impact investment strategies.



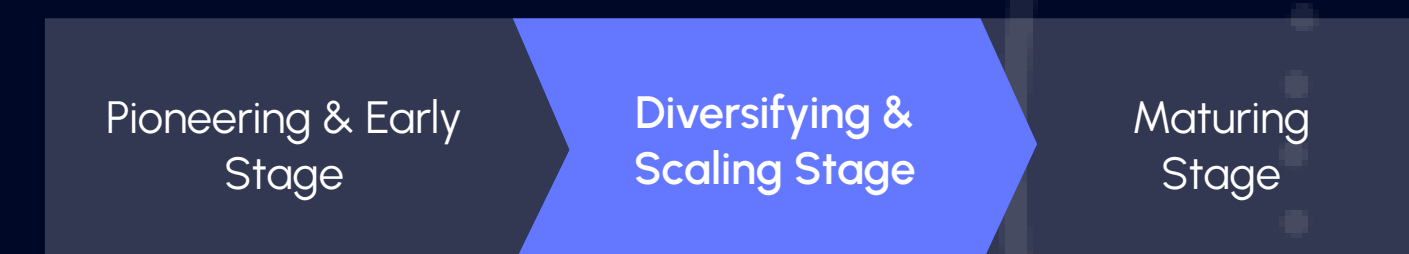
GSG National Partner in Norway has been represented by the **Norwegian National Advisory Board for impact investing** (NorNAB) since 2023 and is composed of 37 members as of 2024.

Impact Investment Market Size as of 2023¹:

NOK 100 billion (USD 8.9 billion)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Thematic fund

Maritime-focused cluster

Katapult Future Fest

EU CSRD

Social Impact Bonds

¹NorNAB (2023). The State of Impact Investing in Norway 2022: <https://www.nornab.no/pdf/2023-state-of-impact-investing-in-norway>

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- **Nysnø Climate Investments** focuses on **carbon-reduction technologies**, advancing Norway's transition to a low-carbon economy, managed capital of 5,4 billion NOK, Nysnø invests in renewable energy, digital technologies, resource efficiency, sustainable consumption and circular economy
- **Katapult Ocean Accelerator** supports startups addressing **ocean sustainability**, through their accelerator program, which combines workshops, networking, and investments ranging from €150,000 to €500,000. The program aims to leverage Norway's ocean industrial hub to guide founders through complex entrepreneurial challenges.



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- **Vis Innovasjon**, a **maritime-focused cluster** in Bergen, has recently launched **70 Blå**, a new accelerator focusing on the next generation of maritime Norwegian startups.
- **Katapult** continues to draw attention to Norway's impact ecosystem and the flagship event **Katapult Future Fest** crowds hundreds of impact professionals to Oslo each year.
- **Oslo Business Region** and **Impact Startup**, both NorNAB members, actively support and promote impact businesses. Oslo Business Region has a strong focus on policies, and **investor-startup matching** and continues to build a strong international investor network. Similarly, Impact Startup has expanded its services to the wider ecosystem through its Studio programme, while strengthening its accelerator and business development support for impact entrepreneurs.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Stage	Investor	SDGs
Otovo	\$30 million	Series C	Nysnø Climate Investments, Agder Energi Ventures, KLP, OBOS, Axel Johnson AB	7 AFFORDABLE AND CLEAN ENERGY
Hystar	\$26 million	Series B	AP Ventures, Mitsubishi Corporation, Nippon Steel Trading, SINTEF Venture	7 AFFORDABLE AND CLEAN ENERGY
Desert Control	\$20 million	Series A	Grieg Investor, KLP, Storebrand, Nysnø Climate Investments	13 CLIMATE ACTION
Seaborg	\$25 million	Series B	Nysnø Climate Investments, Vækstfonden, Breakthrough Energy Ventures	7 AFFORDABLE AND CLEAN ENERGY
Bluegrove	\$12 million	Series A	Nysnø Climate Investments, Grieg Seafood, Hofseth International	6 CLEAN WATER AND SANITATION

Key Developments



Government and Policy

Limited Government Support

Government is often not very involved and does not recognise impact investing as a priority approach. There is no clear regulatory framework yet, and no or few incentives or requirements. There may be major regulatory obstacles.

• In 2024, the EU **Corporate Sustainability Reporting Directive** (CSRD) was **formally adopted into Norwegian law** through amendments in the Accounting Act. The reporting obligations under the CSRD will follow the same timeline in Norway as for EU countries and will be introduced gradually.

• In Norway, **two SIBs are currently underway**. **Trygg av natur SIB**, running from 2019 to 2025, focuses on helping 8th-grade students build self-mastery skills, such as stress management and social relations, while also aiming to reduce drop-out rates in upper secondary education. Meanwhile, the **Back in the Ring SIB** (2021–2023) works to prevent recidivism by supporting inmates aged 18–40 in their transition back into society. Both projects are backed by Ferd Social Entrepreneurs and commissioned by local municipalities.



Market Building

• NorNAB released the country's **first status report** on the impact investment market, based on insights gathered from their market survey, highlighting that Norway is punching above its weight in terms of impact allocation. NorNAB also published the first Norwegian guide to getting started with impact investments.

• NorNAB has established **working groups** to address market barriers and opportunities. Establishment of working groups to identify market barriers and propose solutions for scaling the ecosystem.

Publication highlight

NorNAB (2024). The State of Impact Investing in Norway 2023



Ecosystem Overview

Portugal has emerged as a promising market for impact investment, with significant capital inflows into social innovation and sustainability-focused enterprises. Emerging trends include the growing role of AI and technology in impact innovation and an increasing focus on blue economy investments for ocean sustainability and climate action.

The country benefits from strong public policy support, particularly through Portugal Social Innovation (PSI), government-backed impact funds, and a growing venture capital ecosystem.

Between 2014 and 2020, EUR 150 million was mobilised from EU structural funds to finance 700+ social innovation projects, signaling strong public sector involvement.

Additionally, corporate and private capital investment in impact initiatives is growing, with EUR 200 million from corporates and EUR 120 million from VC/PE funds fueling the sector. **However, challenges remain, particularly in early-stage capital availability and the scaling of impact-driven ventures.**

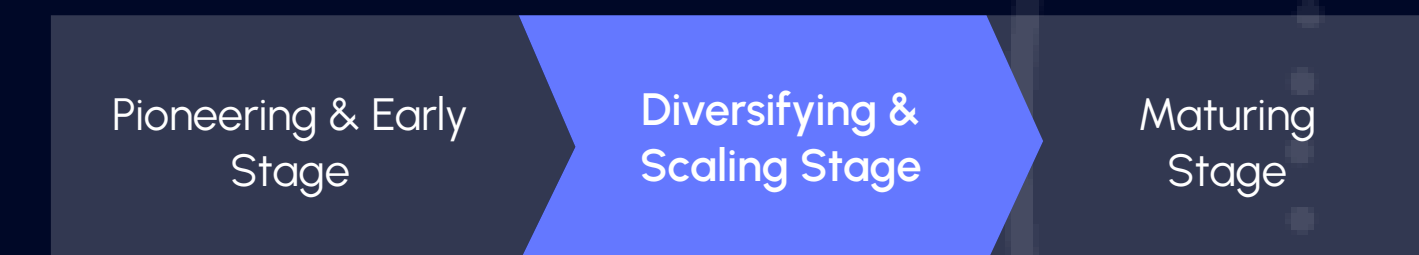


GSG National Partner in Portugal has been represented by **maze** since 2015 and is composed of 42 members as of 2024.

Impact Investment Market Size¹: USD 152 million

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Impact VC fund

Blue economy

Impact incubators and accelerators

Impact investment wholesaler (PSI)

Social Innovation Capital

¹Impact Europe (2024). The Size of Impact. <https://www.impacteurope.net/insights/size-impact>

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- **MSM Fund**, a EUR 45 million **impact VC fund**, targets fast-growing European startups tackling social and environmental challenges, offering pre-seed and seed investments of EUR 100k to EUR 1 million. Its impact-linked remuneration structure aligns financial and social returns.
- The **Blue Economy** is a major investment focus, with the EUR 30 million **Faber Blue Pioneers Fund** and EUR 50 million **Indico Blue Fund** investing in blue biotech, ocean intelligence, and climate action ventures. These funds back 20-25 early-stage companies developing deep-tech solutions to drive ocean sustainability.
- **maze x** is an early-stage funding programme that empowers impact-driven startups to accelerate growth by 3x before their first funding round. maze x provides a fixed-term investment of €100k for each venture that joins the program.
- **3XP** is a 50m€ Portuguese ESG Fund, aligned with the EU Taxonomy and EIB sustainability framework complaint. With a strict risk management policy, Sustainable Innovation Fund (SIF), invests in innovative Portuguese companies with a strong R&D component and is certified by the National Innovation Agency (ANI).



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- Portugal's impact ecosystem is scaling, supported by key **incubators, accelerators, and innovation hubs**. Programs such as **Impact Bootcamps** (IES), **SEA Social Entrepreneurship Courses**, and **Impact Hub Lisbon** provide mentorship, funding access, and capacity-building to early-stage impact startups.
- The **Blue Bio Value Accelerator**, a partnership between Calouste Gulbenkian Foundation and Fundação Oceano Azul, is one of the largest blue economy accelerators in Europe. It supports blue biotech startups addressing marine conservation, food security, and ocean-based sustainability.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Type of Funding	Investor	SDGs
Uphill	7 million	Equity (VC)	MSM	3 GOOD HEALTH AND WELL-BEING
Knok	7 million	Equity (VC)	MSM	3 GOOD HEALTH AND WELL-BEING
Powerdot	100 million	Debt and Equity	Antin	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Sword Health	130 million	Equity	Khosla Ventures, General Catalyst	3 GOOD HEALTH AND WELL-BEING
CellmABS	1 billion	Acquisition	BioNTech	3 GOOD HEALTH AND WELL-BEING

Key Developments



Government and Policy

Established government support

Government as one of the most important partners for scale, recognises impact investing as the way forward and integrates it in its strategy and policies. Proactively seeks feedback from the market and works to address regulatory hurdles.

- **Portugal Social Innovation** (PSI), a national public initiative for impact investment established by the Ministry of Territorial Cohesion in 2014, serves as a Portuguese **impact investment wholesaler**², aligned with Portugal 2030, the country's long-term sustainable development strategy. PSI has mobilised EUR 152 million from EU structural funds and other funders for 2014-2020 and provided impact bonds and other financial instruments to expand outcome-based financing mechanisms.
- Lisbon was named **Europe's Social Innovation Capital** in 2024, recognizing its commitment to fostering entrepreneurship, impact investment, and social inclusion initiatives. The city's strategy focuses on health, immigrant integration, and sustainable urban solutions, positioning Lisbon as a hub for social impact innovation in Europe.
- Lisbon Municipality launched the **Unicorn Factory**, a startup hub supporting high-growth tech companies, including those with impact-driven business models. This initiative aims to bridge the gap between tech startups and impact investors, promoting scalable, sustainable innovation.

² To learn more, see GSG Impact (2024). Impact Investment Wholesalers and Fund of Funds. <https://www.gsgimpact.org/resources/publications-and-reports/impact-investment-wholesalers-and-fund-of-funds-design-insights-from-the-gsg-impact-partnership/>



Market Building

- **Impact Agenda 2030**, launched in 2023 developed by the Calouste Gulbenkian Foundation, identified 14 policy recommendations to strengthen Portugal's National Strategy for Impact Investment. These include expanding impact measurement standards, integrating ESG principles in finance, and increasing public-private partnerships.

Publication highlight

Calouste Gulbenkian Foundation (2023), Impact Agenda 2023



Ecosystem Overview

Under the European Commission's push for sustainable finance legislation, such as the Sustainable Finance Disclosure Regulation (SFDR), Spain has positioned itself at the forefront of the impact economy, which is gaining significant traction on the political agenda across Europe. Spain, alongside other EU countries, is also working to strengthen regional ties to develop a common impact investment landscape.

Major national entities like CaixaBank, Spain's largest bank, and ONCE, the country's largest social organisation, are deeply committed to supporting the development of the impact investment market. Foundations are increasingly exploring impact investing through their endowments, contributing to the expanding interest in socially responsible investments.

Furthermore, the country is also building strong partnerships with Latin American countries to unite key impact investing players across the Spanish-speaking world. AECID and COFIDES, Spanish DFIs, have partnered with SpainNAB, to promote impact investing under Spain's presidency of the European Council. Despite this progress, issues such as regulatory framework, impact washing and green washing, and impact measurement have been identified as the main challenges for the supply of impact capital.



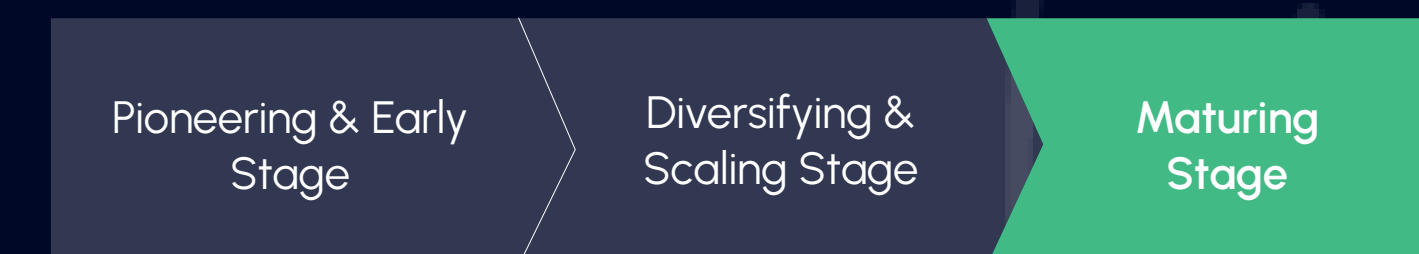
GSG National Partner in Spain has been represented by **SpainNAB** since 2019 and is composed of 55 members as of 2024.

Impact Investment Market Size as of 2023¹:

EUR 1.5 billion (USD 1.3 billion)

Ecosystem Stage At A Glance

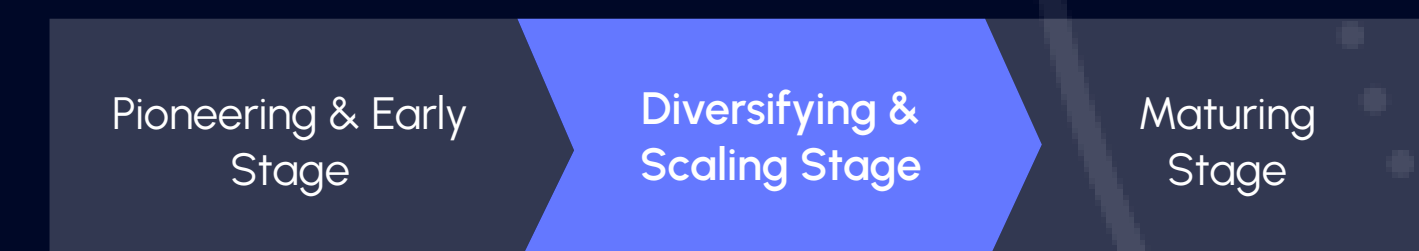
Supply and Intermediation of Impact Capital



Impact investment
wholesaler

Social Impact Bond

Demand for Impact Capital



Technical Assistance
Facility

Government and Policy



The Benefit and
Common Interest
Companies

¹ SpainNAB (2024). The Supply of Impact Capital in Spain in 2023. <https://spainnab.org/publicacion/la-oferta-de-capital-de-impacto-en-espana-en-2023/>

Key Developments



Supply and Intermediation of Impact Capital

Scaling/Maturing

A critical mass of investors have joined the market, and mainstream players (e.g., pension funds) are getting involved. Many contending players who want to scale their views or solutions for impact.

- In October 2023, a new EUR 400 million **Spanish impact investment wholesale fund**, the **Social Impact Fund** (SIF, or FIS in Spanish), was launched by COFIDES, a Spanish DFI, with the support of SpainNAB to bolster impact investment and attract more private capital to a sector frequently overlooked by traditional financing systems.² Funded by the government's Recovery, Transformation, and Resilience Plan, approximately 60% of the SIF's resources will be channelled through impact funds, aiming to drive sustainable growth and social progress.
- **Malaga No Caduca** (Malaga Does Not Expire), Spain's **first Social Impact Bond** dedicated to combating food poverty, was launched in 2024, as a result of the GSG Impact Summit in Malaga hosted by the SpainNAB.
- ICO (Instituto de Crédito Oficial), a corporate state-owned entity, and COFIDES are set to increase the financial resources available for investment in impact investing intermediaries, reinforcing the country's support for this growing sector.

² To learn more, see GSG Impact (2024). Impact Investment Wholesalers and Fund of Funds. <https://www.gsgimpact.org/resources/publications-and-reports/impact-investment-wholesalers-and-fund-of-funds-design-insights-from-the-gsg-impact-partnership/>



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- The Social Impact Fund will allocate EUR 8 million to build a **Technical Assistance Facility**, aimed at improving the capacities of the beneficiaries to manage and measure the impact of their investment projects.
- SpainNAB launched an **inaugural report** on the demand for impact capital in Spain in 2024 gathering primary data from 825 impact organisations.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Type of Funding	Investor	SDGs
Talento y Experiencia (Q-Impact)	\$4.28 million	Debt	Impact Bridge	8 DECENT WORK AND ECONOMIC GROWTH
Primero H Inversion Social SOCIMI	\$5.25 million	Equity	Family Offices, REITs, Foundations	11 SUSTAINABLE CITIES AND COMMUNITIES
SQRUPS	\$3.15 million	Equity	Global Social Impact Fund II Spain, FESE	11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Key Developments



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles.

- In 2022, Spain introduced a legal figure recognising Companies with a Purpose, **the Benefit and Common Interest Companies**, within the "Create and Grow Law". All companies in Spain that generate a social and environmental benefit alongside economic returns are eligible for this new figure.
- The launch of the Social Impact Fund by COFIDES established a **legal framework** that defines impact investing in Spain, codified as part of its broader strategy to align with international practices in social and environmental finance.



Market Building

- The **GSG Global Impact Summit 2023 in Malaga**, hosted by SpainNAB, attracted significant attention from both the public and private sectors, positioning Spain as a key player in global impact investing. Building on this momentum, Impact Europe will host its **Impact Week in Bilbao** in November 2024, further cementing Spain's role as a hub for impact investment innovation and discussions on sustainable finance.

Publication highlight

SpainNAB (2023). The Supply of Impact Capital in Spain in 2022



Ecosystem Overview

The country's growing potential in the region and increasing urbanisation have created opportunities for impact investments in sectors such as renewable energy, healthcare, and education. The government's focus on sustainable development, the establishment of finance centres, and the integration of international standards into Turkish legislation have fostered the emergence of new actors and initiatives within the impact investment landscape.

Alignment with the European Green Deal has further accelerated the growth of impact investing in Türkiye, as environmental and social objectives become a central part of policy-making. Recent developments include the introduction of innovative financial instruments such as Social Impact Bonds (SIBs), impact investment wholesalers, and Sukuks (i.e., a type of Islamic financial certificate that represents partial ownership in an asset or portfolio of assets), which have raised awareness of the potential synergies between different types of investments and impact investing.

Despite these advancements, challenges remain, notably the lack of awareness among investors about the potential of impact investing. However, as demand for sustainable and socially responsible investments continues to rise, Türkiye's impact investment ecosystem is expected to grow substantially in the coming years, with more initiatives and broader participation from both local and international stakeholders.



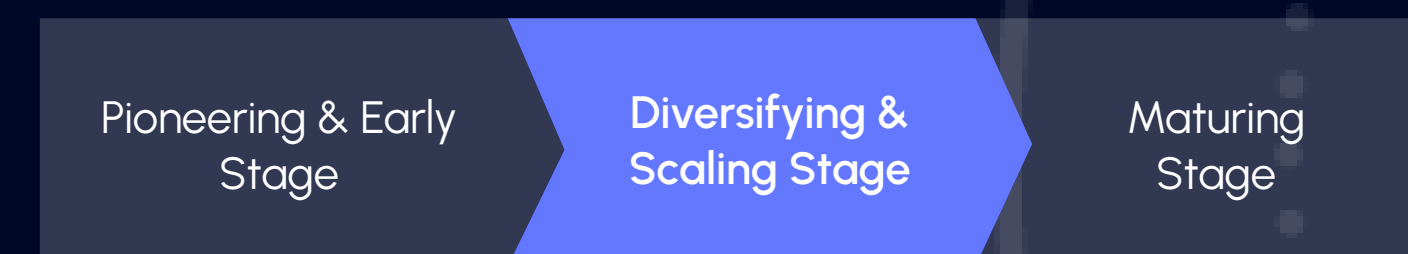
GSG National Partner in Türkiye has been represented by **EYDK** since 2022 and is composed of 41 members as of 2024.

Impact Investment Market Size as of 2024¹:

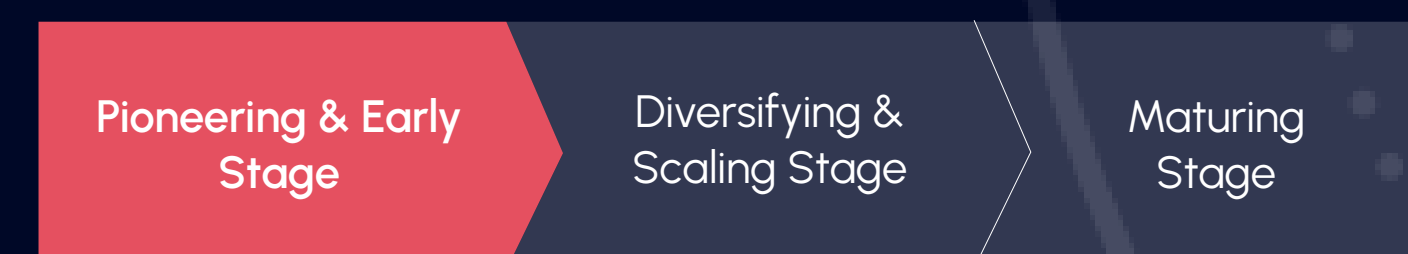
EUR 97 million (USD 101 million)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Impact fund-of-funds

Social Impact Bond

Sustainability bond

Türkiye Green Fund

Technology Development Zones

Turkish Sustainability Reporting Standards

Green Taxonomy

National Development Plan

¹Impact Europe (2024). The Size of Impact. <https://www.impacteurope.net/sites/www.evpa.ngo/files/publications/The-Size-of-Impact.pdf>.

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- In 2022, the Ankara Development Agency launched the **Regional Venture Capital Financial Support Program for Impact Investment**, the country's **first impact fund of funds** offering TL 250 million (USD 7.7 million) in financial support. The programme promotes sustainable regional venture capital initiatives through public-private partnerships.²
- Türkiye's first **Social Impact Bond** (SIB), the "Istanbul Coding" Project, launched by the Istanbul Development Agency (ISTKA), aims to train and employ 550 young unemployed individuals in the software sector. The \$1.25 million SIB, in partnership with Bridges Outcomes Partnerships, Enocta, and Etkiyap, prioritises women applicants and targets unemployed youth, providing them with critical software skills and securing employment in a growing industry.
- In September 2022, TKYB (Development and Investment Bank of Türkiye) issued a **sustainability bond** aimed at financing projects that provide social and environmental benefits. A key social impact of this bond is the preparation of a Gender Equality Action Plan and the creation of employment opportunities.
- The **Türkiye Green Fund** (TGF), launched by TSKB (Industrial Development Bank of Türkiye), is Türkiye's first private equity fund for the green transition. Backed by a \$155 million World Bank loan and aiming for \$405 million by attracting private investments, TGF supports green SMEs and mid-caps in renewable energy, energy efficiency, and low-carbon technologies.

² To learn more, see GSG Impact (2024). Impact Investment Wholesalers and Fund of Funds. <https://www.gsgimpact.org/resources/publications-and-reports/impact-investment-wholesalers-and-fund-of-funds-design-insights-from-the-gsg-impact-partnership/>



Demand for Impact Capital

Pioneering/Early

Few social entrepreneurs and enterprises are testing our solutions and business models.

- **Technology Development Zones** have been established to support technological innovation, entrepreneurship, and R&D activities. These zones provide a critical foundation for impact entrepreneurs by fostering an environment conducive to innovation and growth. As of 2024, Türkiye hosts 101 TDZs, with 87 fully operational and 14 under construction.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Type of Funding	Investor	SDGs
TKYB	\$40 million	Sustainable Bond	AFD	7 AFFORDABLE AND CLEAN ENERGY
Gelecek Etki GSYF	\$25 million	N/A	Vestel Ventures	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
GT Karbon	\$4 million	Equity	Arz Portföy	7 AFFORDABLE AND CLEAN ENERGY
Getmobil (Getmobil Teknoloji A.Ş.)	\$4 million	CLA	Arya GSYF	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Key Developments



Government and Policy

Established Government Support

Government as one of the most important partners for scale, recognises impact investing as the way forward and integrates it in its strategy and policies. Proactively seeks feedback from the market and works to address regulatory hurdles.

- In December 2023, Türkiye introduced the **Turkish Sustainability Reporting Standards** (TSRS), making sustainability reporting mandatory for companies and financial institutions that meet specific thresholds as of January 1, 2024. Developed by the Public Oversight, Accounting and Auditing Standards Authority of Türkiye, the TSRS aligns with the International Sustainability Standards Board (ISSB) standards and introduces sustainability and climate-related disclosures.
- The Directorate of Climate Change, an entity affiliated with the Ministry of Environment, Urbanization, and Climate Change released the draft regulation on **Türkiye's Green Taxonomy**. Aligned with the EU taxonomy, this regulation sets criteria for identifying sustainable economic activities, supporting sustainable development goals. It defines six environmental objectives, such as reducing greenhouse gas emissions and protecting biodiversity, and introduces technical screening criteria for eligible activities.
- **The Twelfth Development Plan** (2024-2028) of Türkiye highlights impact investing as a key strategy for sustainable and inclusive growth. The plan promotes policies to support social enterprises, establish regulatory frameworks, and engage the private sector in addressing societal challenges. By prioritising impact investing, Türkiye aims to mobilise capital for its SDGs and enhance societal well-being.

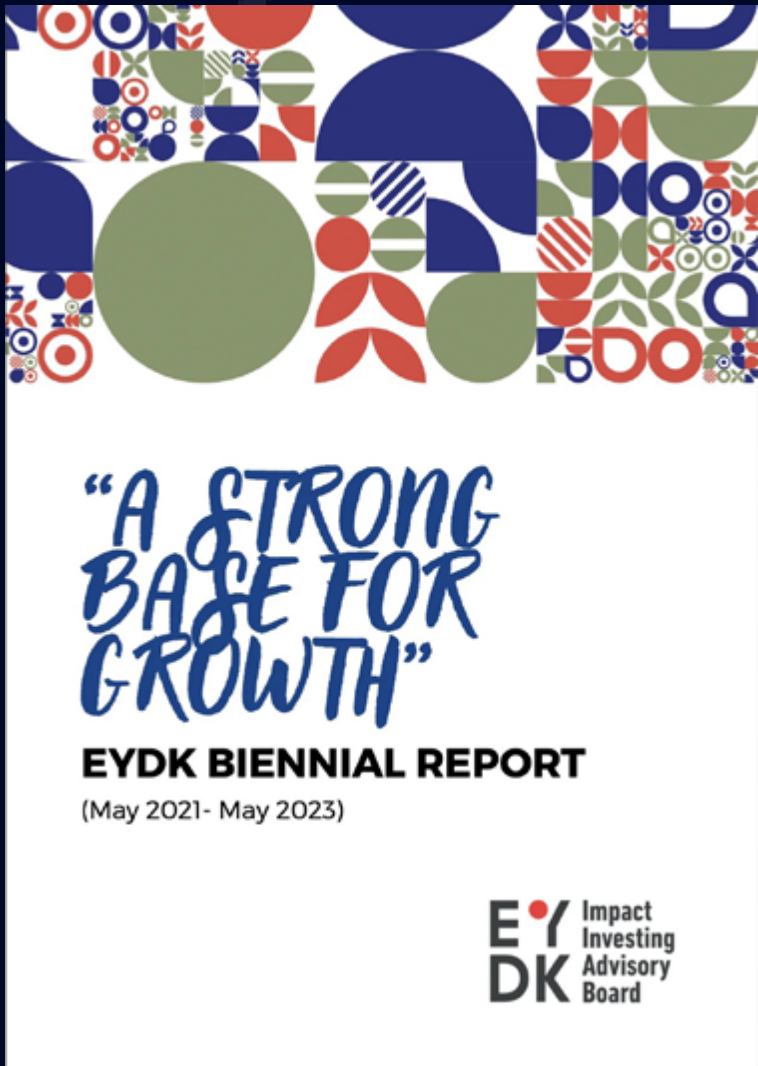


Market Building

- EYDK has partnered with the **Public Oversight, Accounting and Auditing Standards Authority of Türkiye** to raise awareness and promote impact measurement, management, and reporting aligned with international standards. Following Türkiye's adoption of ISSB Standards, the protocol aims to integrate global best practices into national legislation and elevate reporting standards nationwide.
- **The EYDK Impact Investing Summit 2024**, organised by the Impact Investing Advisory Board (EYDK) for the first time this year, was successfully completed under the theme "Accelerating Impact: Forge the Future, Transform Together" which convened to explore the rapidly evolving ecosystem of impact investment.
- **Impact Investing Forums** initiated by EYDK aims to encourage its members to assess their investments, business models, and management processes through an 'impact lens' and to mobilise private sector capital for this purpose.
- The **GSG Global Leadership Meeting**, held in Istanbul in May 2023, brought together 150 global impact investing leaders from 50 countries. This gathering highlighted Türkiye's growing role as a strategic gateway to the MENA and EECA regions in impact investing. Key discussions on impact leadership, capital mobilisation, and women's empowerment marked a significant milestone for the impact economy in Türkiye, facilitated by EYDK.

Publication highlight

EYDK (2023). A Strong Base for Growth – EYDK Biennial Report.



Ecosystem Overview

The UK is a dynamic hub for impact investing. According to the research by the Institute, the impact investment market marks a £19.3 billion increase from our inaugural market sizing and represents a 10.1% compound annual growth rate between 2021 and 2023.¹

Its impact market benefits from a sophisticated investment ecosystem, awareness of social and environmental issues by different types of investors and customers, and positive regulatory developments, such as the **recent launch of a regulator-backed impact label for funds**.

As a mature market, the UK features a wide range of impact investment opportunities across various sectors and asset classes. New trends include innovative funds targeting impact at scale, entry of institutional players such as pension funds in impact investments, expansion of blended finance instruments, partnerships between traditional financial institutions and social enterprises, and cross-sector initiatives fostering collaboration and knowledge-sharing around impact investing.



GSG National Partner in the UK has been represented by the **Impact Investing Institute** (the Institute) since 2017.²

¹Impact Investing Institute (2024). The UK Impact investing market – Size, scope, and potential. <https://www.impactinvest.org.uk/wp-content/uploads/2024/09/The-UK-impact-investment-market-Size-scope-potential.pdf>
²The Institute benefits from broad support from the UK Government and investors, including a cohort of 14 financial institutions that are supporters of the Institute.

Impact Investment Market Size as of 2024³:

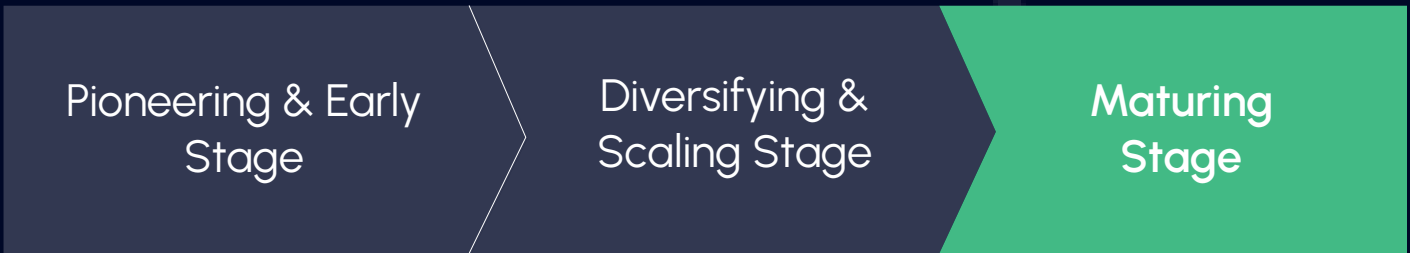
GBP 76.8 billion (USD 100.5 billion)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

- Place-based impact investing
- Family offices and foundations
- Just Transition criteria
- Impact investment wholesaler
- 100X Impact Accelerator
- Sustainability disclosure requirements
- Transition Plan Taskforce

³Impact Investing Institute (2024). The UK Impact investing market – Size, scope, and potential. <https://www.impactinvest.org.uk/wp-content/uploads/2024/09/The-UK-impact-investment-market-Size-scope-potential.pdf>

Key Developments



Supply and Intermediation of Impact Capital

Scaling/Maturing stage

A critical mass of investors have joined the market, and mainstream players (e.g., pension funds) are getting involved. Many players want to launch scale their solutions for impact.

- The UK has recently seen an increased focus on **place-based impact investing** (PBII)⁴ as an investment practice, including from pension funds. For example, Cornwall Pension Fund **launched** a local impact portfolio to channel investment into affordable private rental housing and renewables in the region, which made an initial commitment of GBP 115 million. The Institute convenes a Place Coalition that helps further the practice of PBII, bringing together important stakeholders such as investors, local authorities, and other field builders.⁵
- In addition to pension funds, new types of investors such as **family offices** and **endowed foundations** are beginning to make more allocations to impact investments. The Institute accompanies these investors on their impact journeys by producing guides, case studies and workshops that help them get involved in impact.
- 8 fund managers have developed funds piloting the **Just Transition Criteria**, a framework helping investors align their products and

solutions with the achievement of a fair and inclusive transition to Net Zero. **Case studies** of these pilot funds are available.

- In 2022, **Pathway Fund**, an **impact investment wholesaler** dedicated to advancing racial equity in the UK was established with a focus on empowering black and minority-led enterprises. Drawing from various sources such as UK Government funding, Dormant Asset funding, philanthropic foundations, and mission-aligned investors. Pathway Fund has secured a committed capital of £2 million as of March 2024.⁶

⁴According to the Impact Investing Institute and the Good Economy, PBII means investment made with the intention to yield appropriate risk adjusted financial returns as well as positive local impact, with a focus on addressing the needs of specific places to enhance local economic resilience, prosperity, and sustainable development. <https://www.impactinvest.org.uk/learning-hub/place-based-impact-investing/what-is-place-based-impact-investing/>

⁵ To learn more, see here <https://www.impactinvest.org.uk/resources/publications/place-based-impact-investing-emerging-impact-and-insights/>

⁶ To learn more, see GSG Impact (2024). Impact Investment Wholesalers and Fund of Funds. <https://www.gsgimpact.org/resources/publications-and-reports/impact-investment-wholesalers-and-fund-of-funds-design-insights-from-the-gsg-impact-partnership/>



Demand for Impact Capital

Scaling/Maturing stage

A critical mass of impact businesses exist, and mainstream players (e.g., corporates) are getting involved. Many contending players who want to scale their views or solutions for impact.

- **100x Impact Accelerator**, a £50 million global initiative aimed at nurturing the next generation of social unicorns, launched in January 2023 at the London School of Economics (LSE). Each selected social enterprise receives £150,000 in catalytic funding, along with access to LSE's renowned expertise during its 12-week tailored accelerator programme.

Key Developments



Government and Policy

Established Government Support

Government as one of the most important partners for scale, recognises impact investing as the way forward and integrates it in its strategy and policies. Proactively seeks feedback from the market and works to address regulatory hurdles.

- The **Financial Conduct Authority** (FCA) published its **Sustainability Disclosure Requirements PS 23/16** (known as SDR) in November 2023, including a new labelling regime that includes a Sustainability Impact fund, which came into effect for some retail funds on 31 July 2024. SDR aims to improve trust and transparency and ensure financial products can back up their sustainability and impact claims. The Institute collaborated closely with the FCA's Disclosures and Labelling Group, providing **industry-informed advice** that influenced the final Sustainability Impact label.
- The **Transition Plan Taskforce**, launched by the UK Government in April 2022, established the **TPT Disclosure Framework** a gold standard for transition plans that set out good practices for robust and credible transition plan disclosures. The framework will likely become the standard for UK companies and investors. The Institute co-led the **Just Transition Working Group**, ensuring that social factors were integrated into the Transition Plan templates.



Market Building

- The Institute partnered with the City of London Corporation and the British Private Equity & Venture Capital Association (BVCA) on **a series of investor roundtables** to highlight and further the contribution of private capital to tackling challenges such as regional inequalities, preventative health, and the achievement of a global just transition. Insights were captured in a **high-level report** from the City of London Corporation which highlights that the UK is uniquely positioned to continue leading and expanding as a global centre for excellence for impact investing, driving significant financial, social, and environmental value both domestically and globally.
- The UK CFA Society launched a new **qualification on impact investing** (CFA Level 4) targeting investment and impact professionals wishing to expand their knowledge on impact investing, which was developed with support from the Institute.

Publication highlight

Impact Investing Institute (2024). The UK Impact investing market
- Size, scope, and potential.



Country Profiles

Latin America

Latin America

Brazil	92
Central America	95
Chile	98
Colombia	101
Mexico	104
Peru	107



Ecosystem Overview

The Brazilian Impact Investing Market has grown and as of today includes over 20 organisations and financial institutions offering impact investment products across a variety of asset classes and sectors. This group includes both locally and internationally renowned organisations actively investing in Brazil.¹

Recent progress in the sector was marked by the launch of the new **National Impact Economy Strategy**, designed to strengthen the ecosystem by engaging federative entities committed to driving positive social and environmental outcomes. Several Brazilian states have joined the National Impact Economy System, Simpacto, which coordinates actions across various federal levels to strengthen the impact economy and connect thematic committees. To date, 10 Brazilian states have enacted local legislation to support the impact economy.

The number of impact businesses in Brazil has grown from around 800 in 2019 to over 1,300 in 2022², with 408 scalable impact businesses operating across various regions and sectors nationwide.³ Furthermore, intermediary impact organizations have increased to 70, a remarkable sevenfold rise compared to a decade ago.⁴



GSG National Partner in Brazil has been represented by the **Alliance for Impact Investments and Businesses** (the Alliance) since 2017 and is composed of 96 members as of 2024.

¹ To learn more, see <https://investircomimpacto.org.br/>

² PIPE (2023). Impact Business Map. <https://mapa2023.pipelabo.com/>

³ SEBRAE (2024). Impact Startups Map. https://d3335luupugsy2.cloudfront.net/cms%2Ffiles%2F148%2F17139709225Startups_de_impacto.pdf

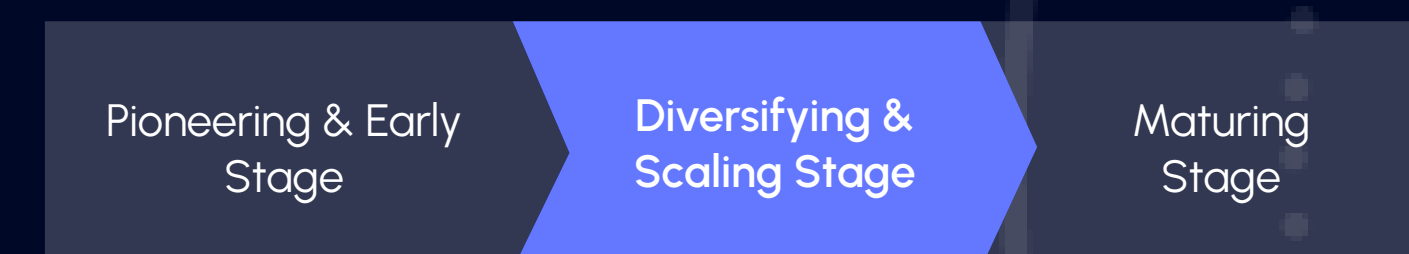
⁴ PIPE & Quintessa (2023). Ecosystem Guide. <https://guiadoisemeio.com.br/estudo/>

Impact Investment Market Size as of 2021⁵:

BRL 18.7 billion (USD 3.3 billion)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Amazon Biodiversity Fund

BNDES Garagem

TD Impacta

National Impact Economy Strategy (Enimpecto)

G20 for Impact

IFRS S1 and S2 standards

Eco Invest Brazil

⁵ ANDE (2023). Impact Investments in Brazil 2021. https://andeglobal.org/wp-content/uploads/2023/07/ANDE_2023_INGLES_FINAL.pdf

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- The BNDES, the Brazilian Development Bank, invested up to BRL 75 million in an **Amazon Biodiversity Fund** dedicated to small and medium-sized sustainable companies operating in the Amazon, and a blended finance initiative with 11 projects approved, requiring a total of around BRL 250 million in concessional capital.



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- The BNDES launched their **acceleration programme, BNDES Garagem**, focused on fostering the foundations for sustainable development of impact businesses by supporting entrepreneurial initiatives across Brazil. In the coming years, the program will accelerate 400 impact businesses.
- The Brazilian National Treasury Secretary and B3, the Brazilian stock exchange, created **TD Impacta**, a support and investment platform for impact businesses. Its main focus is to boost solutions that promote businesses generating positive impact.

Publication highlight

ANDE (2023). Impact Investments in Brazil 2021.



Key Developments



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles.

- The Federal Government launched the **National Impact Economy Strategy** (Enimpecto), led by the vice president's ministry, reflecting its commitment to impact. The ten-year plan aims to expand impact capital tenfold and implement the strategy nationwide. The Alliance co- led two of five government-led working groups on capital mobilisation and policy rollout, focusing on funding impact businesses and integrating socio-environmental solutions into supply chains.
- With Brazil taking over the G20 presidency in the 2023-2024 period, the **G20 for Impact** was set up, an international coalition to articulate coordinated and pragmatic recommendations to the Brazilian presidency of the G20. The Alliance Chair was one of the co-founders of this coalition and the Alliance played an important role on the coalition development.

- The **Brazilian Securities and Exchange Committee** (CVM) announced that by 2026, all listed companies and investment funds will be required to publish reports in accordance with the recently introduced **IFRS S1 and S2 standards**. The Alliance formed an Impact working group for the CVM, which led and participated in many discussions on blended finance to mobilise important multi-sectoral actors and regulators to provide recommendations, training and advisory on blended finance.
- The government launched **Eco Invest Brasil** to create structural conditions to attract necessary external private investments for the ecological transformation of the country. This innovative initiative seeks to attract green investments within Brazil's Green Transformation Plan. Initially, the platform has the potential to mobilize coverage of up to \$3.4 billion, a figure that may increase over time.



Market Building

- ANDE publishes the **Brazilian impact investment market sizing report** in line with the recommendations from the Alliance for Impact Investment and Impact Businesses' recommendations to monitor the sector's growth in the sector. The recent report reveals an impressive growth (60%) in the Assets Under Management (AUM) allocated for impact in Brazil, reaching a total of BRL 18.7 billion.

Central America Region



Ecosystem Overview

The impact investment ecosystem in Central America is growing and gaining traction. A recent study calculated the total impact investment assets under management (AUM) in five Central American countries - Costa Rica, Guatemala, El Salvador, Honduras, and Panama - at \$420M, with 60% of interviewed investors expecting higher investment in 2024 and with anticipated growth in demand of impact investment of 12% annually through 2030.¹

Barriers to more impact investment include political instability (cited especially in El Salvador, Honduras, and Guatemala), lack of demand (cited especially in Costa Rica and Panama), limited knowledge among enterprises about available financial instruments, and distorted perceptions of the region.

Nonetheless, the general atmosphere is positive and with growing momentum. A concerted effort to socialise investment opportunities amongst investors, create knowledge and harmonize data about impact investing in the region, experiment with new financing instruments, and build capacity for organisations, among other measures, will be key to achieving sustainable growth in the coming years.



Plataforma de
Inversión de Impacto
Centroamericana

GSG Regional Partner in Central America has been represented by Plataforma de Inversión de Impacto Centroamericana (PiiC) since 2019 and is composed of 14 members as of 2024.

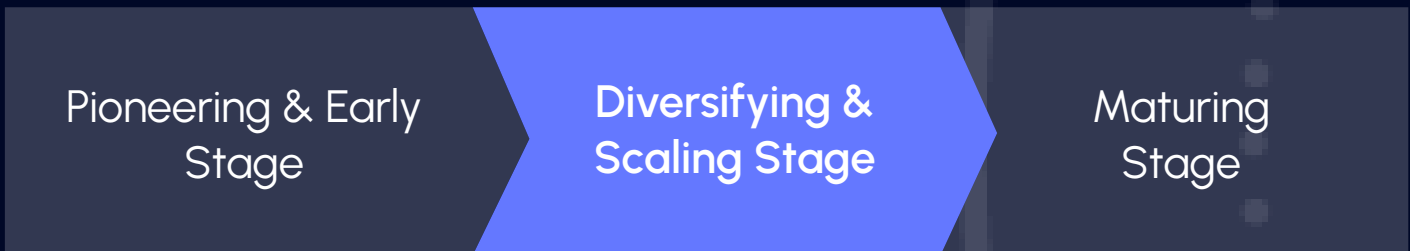
¹PiiC & Dalberg (2024). Mapeo y Perspectivas de Inversión de Impacto en Centroamérica. <https://www.plataformaiic.org/wp-content/uploads/2024/11/PiiC-Dalberg-reporte-inversiondeimpacto.pdf>



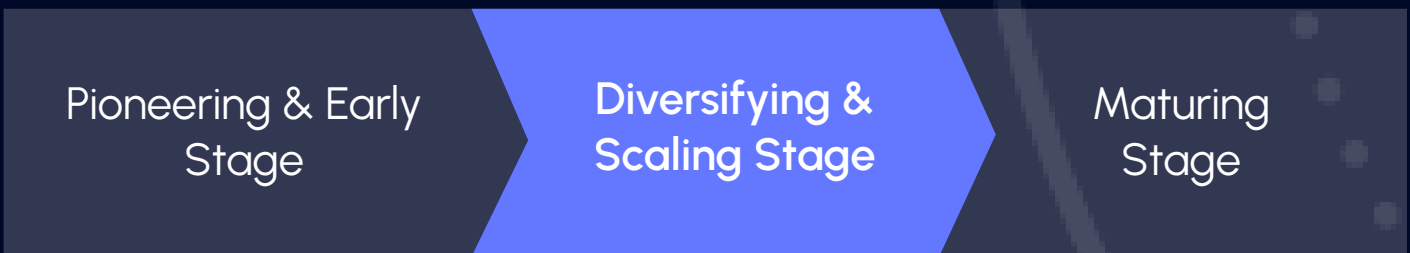
Impact Investment Market Size as of 2023²:
USD 420 million

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Women's
Entrepreneurship Fund

Pay-for-results training
programme

Pay-for-results financing
for employment

² The region includes Costa Rica, Guatemala, El Salvador, Honduras, and Panama. PiiC & Dalberg (2024). Mapeo y Perspectivas de Inversión de Impacto en Centroamérica. <https://www.plataformaiic.org/wp-content/uploads/2024/11/PiiC-Dalberg-reporte-inversiondeimpacto.pdf>

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- Cenpromype, member of PiiC and regional government representative from the Central American Integration System (SICA), launched the **Women’s Entrepreneurship Fund** (Fondo para la Empresarialidad Femenina), the **first regional debt fund** to financial institutions that specifically target women-led SMEs in the SICA region. The \$40M fund seeks to expand financial inclusion for women and refining financial institutions’ underwriting practices to better serve women-led businesses.
- The emergence of **new regional impact investment actors**, including **Danta Fund** and **Atta Impact Capital**, both based in Costa Rica and **Innogen Capital Ventures** from El Salvador, strengthened the supply of impact capital in Central America driving sustainable development initiatives.
- Pomona Impact has been an important actor to bring scale to the industry with a proven track record of investment in high-impact enterprises through its USD 33 million Fund II, as highlighted in our Deal Spotlights.



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- **Caricaco Foundation**, a nonprofit organisation promoting quality education in Costa Rica, launched a Pay-for-Results pilot training programme in July 2023 to accelerate job placement and formal employment for vulnerable youth in collaboration with PiiC. The programme trained 90 young people with 12% higher efficiency at job placement than other programmes funded by the government.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Type of Funding	Investor	SDGs
Agrep Forestal S.A	\$500,000	Revenue-based loan	Acceso	7 AFFORDABLE AND CLEAN ENERGY, 11 SUSTAINABLE CITIES AND COMMUNITIES
Hybrico	\$4.7 million	Equity & Venture debt (includes follow-ons)	Pomona Impact	7 AFFORDABLE AND CLEAN ENERGY, 9 INDUSTRY INNOVATION AND INFRASTRUCTURE
Coastal Catch	\$750,000	RBF & Amortized loan (includes follow-ons)	Pomona Impact	8 DECENT WORK AND ECONOMIC GROWTH, 14 LIFE BELOW WATER
ProNuvo	\$3 million	Convertible note (includes follow-ons)	Pomona Impact	8 DECENT WORK AND ECONOMIC GROWTH
Pro Mujer (Nicaragua)	N/A	Debt	Deetken Impact’s Ilu Women’s Empowerment Fund	5 GENDER EQUALITY

Key Developments



Government and Policy

Limited Government Engagement

Government is often not very involved and does not recognise impact investing as a priority approach. There is no clear regulatory framework yet, and no or few incentives or requirements. There may be major regulatory obstacles.

- The Ministry of Labor and Social Security (MTSS), the Caricaco Foundation, and the IDB have jointly offered **training** on the **Pay-for-Results Financing** methodology for employment programmes. This marks the first implementation of such a methodology in Costa Rica, signalling an innovative approach to funding and evaluating employment initiatives. Caricaco Foundation has set an ambitious objective for the government to direct 25-33% of its capacity-building funding towards pay-for-results schemes by 2026. This target demonstrates a significant commitment to results-oriented funding in the public sector.



Market Building

- Alterna, part of PiiC's Secretariat, has continued organizing their yearly event, the **Foro Latinoamericano de Inversión de Impacto Centroamérica & Caribe (FLII CA&C)**, which since 2015 has brought together a diverse range of ecosystem actors, growing to almost 1000 participants from 30 countries in **2022**. In its 8th edition in **2023**, the FLII left Guatemala for the first time and was hosted in Roatán, Honduras, in an effort to bring the conference to other countries in the region. It was a great success, with over 300 participants from 18 countries, including 35 investment funds and 5 local and regional banks. In **2024**, the FLII was hosted in Costa Rica.
- PiiC, in collaboration with other GSG National Partners in Latin America, hosted the **2024 GSG Leadership Meeting in Costa Rica** in June 2024, gathering 90 leaders from 34 countries, fostering stronger regional networks, and allowing for the exchange of ideas, strategies, and best practices in impact investing, ultimately driving collective market growth in Latin America.
- The **first ecosystem mapping** in Central America was published by PiiC, identifying more than 140 key impact actors and innovative high-impact projects.

Publication highlight

PiiC & Dalberg (2024). Mapeo y Perspectivas de Inversión de Impacto en Centroamérica.



PiiC & Dalberg (2024). Horizontes Verdes: Desbloqueando el Potencial de las Finanzas Climáticas.



Ecosystem Overview

In Chile, impact investing accounts for USD 444 million across 16 investment funds. By 2024, sustainable investments reached USD 9.4 million, representing 25.5% of the total AUM in the industry. The country is a regional leader in renewable energy, attracting USD 5.7 billion in investments and achieving 231% sector growth in 2024, signaling opportunities for impact investing.

A key milestone in Chile's ecosystem was its issuance of sovereign green bonds, becoming the first in the Americas in 2019 and the third-largest emerging market issuer by 2020. Anchored in the 2019 Sustainable Bond Framework, this initiative has enabled Chile to direct investments toward green assets, reinforcing its commitment to climate finance. Recent developments continued through expanding green bond issuances and advancing a sustainable finance taxonomy.

However, regulatory gaps and limited incentives still pose challenges for impact capital mobilisation. Limited availability of blended finance and risk-sharing mechanisms has slowed impact investment growth.

Impact Investment Market Size as of 2024¹:

USD 444 million

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

FIS Ameris

Impact Matching Platform

Sustainable finance taxonomy

Sovereign sustainability linked bonds

¹ ACAFI (2024). Guía de Inversión Sostenible en Chile 2023 - 2024 https://acafi.cl/wp-content/uploads/2024/04/Guia-Inversion-Sostenible-2024-II_4.pdf

Key Developments



Supply and Intermediation of Impact Capital

Pioneering/Early

Few boutique impact investors, DFIs, MFIs, pioneers etc. are piloting solutions and developing new instruments.

- **FIS Ameris**, the impact investing arm of fund manager Ameris Capital, launched Chile's first impact investing fund. They subsequently introduced FIS 3.0, building on the success of its previous funds, that aims to focus on financing early-stage social and environmental enterprises in Chile.



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- The **Impact Matching Platform**, developed in 2022 by NAB Chile in partnership with the San Carlos de Maipo Foundation, employs AI technology to connect social and environmental impact projects with suitable investors based on their specific interests. This innovative platform boasts approximately 100 new potential investments and over 100 registered investors. Key strategic alliances with Broota, Vinko, Uper.co, and Banca Etic are currently in place to expand the platform's community.

Key Developments



Government and Policy

Growing government support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles.

• In 2024, Chilean Ministry of Finance presented the **sustainable finance taxonomy** for open consultation, the **Draft Taxonomy of Environmentally Sustainable Economic Activities of Chile** (T-MAS), following its Roadmap for a Taxonomy in Chile published in 2021. The taxonomy is designed to identify and standardise when economic activities are executed in an environmentally sustainable manner, and aims to provide clarity to public and private sector actors to guide investments and facilitate the mobilisation of financial resources towards projects in this line.

• In 2022, the government of Chile placed the \$2 billion, 20-year **sovereign sustainability-linked bond** (SSLB) in the global financial market, being the first country in the world to issue SLB. The SLB aims to achieve targets for greenhouse gas emissions and at least 60 percent of energy produced by renewable sources by 2032.



Market Building

• **Cataliza**, organised by NAB Chile and Fundación Chile, has been a key networking platform bringing together impact investors, social entrepreneurs, and policymakers to discuss the latest developments in impact investing since 2022. The next version will be held in 2025.

Publication highlight

ACAFi (2024). Guía de Inversión Sostenible en Chile 2023 - 2024



Ecosystem Overview

Colombia's impact investment ecosystem is growing steadily but faces challenges in defining and standardizing the concept of impact investment. According to the 2022 market study, the total reported investments in Colombia by surveyed entities that met the intentionality criteria amounted to USD 202.5 million. In 2021 alone, USD 56 million was newly constituted, reflecting ongoing growth despite the need for clearer guidelines.

Furthermore, Colombia stands out as a pioneer in the region, being the first middle-income country to launch a Social Impact Bond (SIB) and **the first in Latin America to establish an Outcomes Fund (OF)**. These initiatives, which boosted employability for vulnerable groups, with private investors taking financial risks and external verifiers ensuring transparency, position Colombia as a leader in the global development of a payment-by-results (PbR) ecosystem.

Despite this progress, challenges persist in aligning investments with key criteria such as intentionality, profitability, and impact measurement. Notably, impact measurement remains the weakest link, with a substantial portion of investments struggling to meet rigorous standards.



GSG National Partner in in Colombia has been represented by **Impacto Colombia** since 2019.

Impact Investment Market Size as of 2022¹:
USD 202.5 million

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



- Payment by Results
- Social Impact Bonds

Demand for Impact Capital



Government and Policy



- National Pay-for-Results Strategy
- National Development Plan

¹NAB Colombia (2022). Medición del mercado de inversión de impacto en Colombia. <https://nabcolombia.com/wp-content/uploads/2022/06/Estudio-In-versio%CC%81n-de-Impacto-en-Colombia-2022.pdf> Impacto Colombia will soon launch an updated 2024 market sizing, and the final market size is expected to be approximately double this amount from 2022.

Key Developments



Supply and Intermediation of Impact Capital

Pioneering/Early Few boutique impact investors, DFIs, MFIs, pioneers etc. are piloting solutions and developing new instruments.

- Since its launch in 2016 to advance **Payment by Results** (PBR) mechanisms in Colombia, **MÁS Pago por Resultados** program has introduced four **Social Impact Bonds** (SIBs) focusing on generating formal job placement for vulnerable populations. Funded by the Inter-American Development Bank's Innovation Lab (BID Lab) and the Swiss State Secretariat for Economic Affairs (SECO), and executed by the Fundación Corona, the program aims to foster public-private partnerships and leverage financial innovation to drive greater social impact across the country.

- **SVX Colombia**, a not-for-profit financial services company, launched a **Colombia impact investment support program** (PAIIC) to provide technical assistance and grants to help local companies and organizations scale their operations, especially in rural areas.

- **EcoEnterprises Fund**, a women-led venture fund building nature-positive, gender-smart portfolios, initiated its fourth investment vehicle, targeting a final close of \$150 million. The new fund aims to invest in up to 20 small and medium-sized companies across Latin America that champion biodiversity, climate action, and social impact.

Key Developments



Government and Policy

Limited Government Support

Government is often not very involved and does not recognise impact investing as a priority approach. There is no clear regulatory framework yet, and no or few incentives or requirements. There may be major regulatory obstacles.

- In 2024, Colombia's National Planning Department (DNP), in collaboration with BID Lab, SECO, and Fundación Corona, launched the **National Pay-for-Results Strategy** to improve the efficiency of public resource management through a Pay-for-Results model that promotes collaboration between public and private sectors. The initiative explores creating a regulatory sandbox to identify potential barriers for more effective implementation.²
- In 2023, Impacto Colombia introduced a **roadmap to advance impact investment** within the public sector, leading to the inclusion of the term "impact investment" for the first time in the foundational framework of the **2022-2026 National Development Plan**, which serves as the Government's strategic guide.

²Departamento Nacional de Planeación (DNP). (2024, February 25). *DNP y el BID unen esfuerzos para implementar la estrategia de pagos por resultados*. DNP. https://www.dnp.gov.co/Prensa/_/Noticias/Paginas/dnp-y-el-bid-unen-esfuerzos-para-implementar-la-estrategia-de-pagos-por-resultados.aspx#:~:text=La%20Estrategia%20Nacional%20de%20Pago%20por%20Resultados.-de%20los%20mecanismos%20de%20pago%20por%20resultados



Market Building

- Impacto Colombia has convened numerous Colombian entrepreneurs, providing platforms to showcase their businesses and explore financing opportunities through its **annual Impact Summit**, covering a wide range of topics such as innovative financing mechanisms, impact transparency, and green financing. In 2024, Impacto Colombia organised the **Foro Impacto Colombia 2024**, attracting over 420 attendees from various sectors, including public and private sector representatives, academia, investors, family offices, accelerators, and NGOs.

Publication highlight

NAB Colombia (2022). Medición del mercado de inversión de impacto en Colombia (Measurement of the Impact Investment Market in Colombia).



Ecosystem Overview

The growth of impact investment funds in Mexico has been met with optimism. Key drivers include income disparity and climate-related events, which highlight the need for sustainable solutions and influence investor behavior. Specialised fund managers are emerging in sectors such as health, regenerative agriculture, and women-led entrepreneurship.

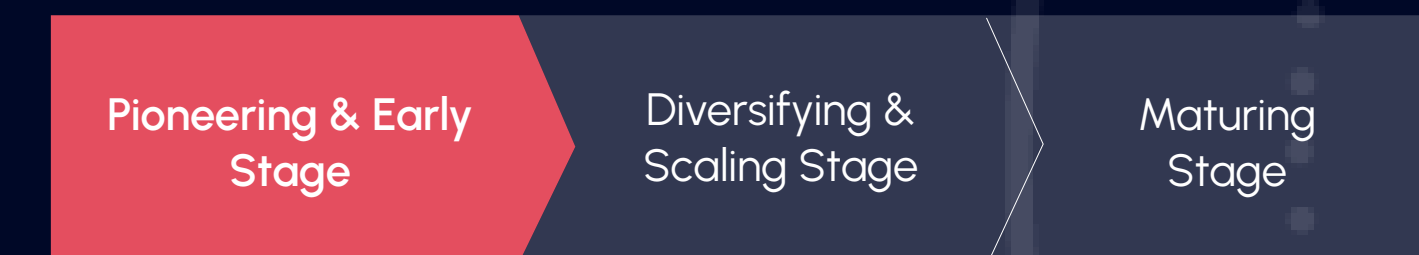
Mexico's social entrepreneurship sector has grown significantly in the past ten years as a response to the country's social and environmental challenges. Furthermore, improved public policy, increased access to financing, and a growing culture of sustainability across sectors also contributed to social enterprises expansion. Key focus areas are education, health, financial inclusion, gender equality, and sustainable agriculture.

However, the impact investment ecosystem faces challenges due to a lack of comprehensive market data and transparency. Improving data collection and transparency are priorities for impact investors aiming to identify and seize the exponentially growing opportunities in the Mexican market.

Impact Investment Market Size as of 2020¹:
USD 107 billion

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Impact Fund of Funds

B Corp movement

Sustainable Taxonomy
Social Impact Bond

¹ ANDE (2020). La inversión de impacto en América Latina - Tendencias 2018 & 2019 (Impact investment Trends in Latin America 2018/19). <https://aiimx.com.mx/wp-content/uploads/2022/07/LatAm-Impact-Investing-2018-2019-ES.pdf>

Key Developments



Supply and Intermediation of Impact Capital

Pioneering/Early

Few boutique impact investors, DFIs, MFIs, pioneers etc. are piloting solutions and developing new instruments.

- Fondo de Fondos, a Mexican private equity manager, launched the USD 71 million **LATAM Impact Fund** in 2019, a fund-of-funds dedicated to strengthening the Latin American impact investment ecosystem through strategic support of SMEs, in partnership with Sonen Capital, a major U.S. impact investor. To date, the Fund has successfully invested in eight funds and six direct companies, with additional approvals pending for two more funds and four additional companies.
- **Regenera Ventures**, launched in 2024 is an investment fund of SVX MX, born from the Sustainable Landscapes Entrepreneurship project implemented by Conservation International and funded by the United States Agency for International Development (USAID). The fund focuses on long-term investments aimed at the holistic growth of companies committed to nature-based solutions and the transition to regenerative management practices.
- **Dalus Capital** successfully raised more than USD \$40 Million Dollars and continue in the fundraising process for tech-based solutions for climate innovation and inclusion (finance, education, health, workforce, and business productivity)
- **Impact Ventures**, launched in Mexico in 2019, is a first social impact fund that prioritises social impact by supporting social entrepreneurs and Spanish-speaking Latin American countries. The fund has invested over USD \$67 million.
- **New Ventures Capital** successfully raised more than USD \$20 million and continues its fundraising process to support tech-based solutions in ClimateTech, HealthTech, EdTech, and FinTech that promote youth well-being in Latin America.



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- In Mexico, the **B Corp movement** has experienced considerable growth. According to **Sistema B**, the organisation responsible for certifying B Corps in the country, Mexico is one of the countries with the highest number of B Corps in Latin America, after Brazil and Argentina. By 2024, there will be 118 B Corps in the country, representing various sectors, from agroindustry to technology, e-commerce, renewable energy, sustainable tourism, and more.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Type of Funding	Investor	SDGs
Justo	70 Million	Equity and Debt	General Atlantic	8 DECENT WORK AND ECONOMIC GROWTH
Someone Somewhere	5 Million	Equity	Impact Ventures	13 CLIMATE ACTION
Minu	30 Million	Equity	QED Investors	8 DECENT WORK AND ECONOMIC GROWTH
Kolpin	7 Million	Equity	Left Lane Capital	3 GOOD HEALTH AND WELL-BEING
Sofia	13.5 Million	Equity	Kaszek	3 GOOD HEALTH AND WELL-BEING

Key Developments



Government and Policy

Growing government support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles.

- Mexico was one of the first countries to launch a sustainable taxonomy. The Subsecretary of Finance unveiled the **Sustainable Taxonomy of Mexico**, a classification tool developed over three years with input from over 200 experts across public, private, financial, academic, and civil society sectors. The taxonomy identifies and labels economic and financial activities that contribute to sustainable development and the achievement of environmental and climate objectives.
- Nuevo León, a state of Mexico, has pioneered the implementation of a **Social Impact Bond** (SIB) program. With an investment of up to 15 million pesos, the program aims to improve the lives of 500 disadvantaged youth by providing training, job placement, and support services. This collaboration between the state government, Catholic Relief Services, and YouthBuild México seeks to reduce youth labor informality and establish Nuevo León as a leader in social policy innovation.



Market Building

- AIIMX crafted a **white paper** for developing a critical pathway towards an impact economy in the country along with recommendations for its implementation, in collaboration with stakeholders from the ecosystem, such as investment funds and entrepreneurs.
- AIIMX established a **local chapter in Guadalajara** in 2023 to engage in more contextual conversations and tackle more pressing local challenges that face different local communities. After a series of events aimed at engaging the ecosystem in Guadalajara, the strategy shifted toward the implementation of a regional council to drive ecosystem development, with results still underway.
- The 4th **Impact Investment Summit**, hosted by AIIMX in November 2024, convened key players in Mexico's impact investment landscape. It featured discussions on trends, challenges, and opportunities, as well as panels, presentations, and a Demo Day showcasing impactful startups. The event promoted collaboration and explored innovative financial mechanisms for scaling high-impact ventures.
- In partnership with Recuperación Verde - GIZ Mexico, AIIMX contributed to the development of a study that will provide crucial insights into the dimensioning of Mexico's impact investment market. This research will be instrumental in shaping policy decisions and directing investment towards high-impact sectors such as renewable energy, education, and healthcare, ultimately strengthening the ecosystem for sustainable development in the country.

Publication highlight

ANDE (2020). La inversión de impacto en América Latina - Tendencias 2018 & 2019 (Impact investment Trends in Latin America 2018/19).



Ecosystem Overview

Peru is recognised as a leading emerging market and a solid economy, based on low inflation, international reserves equivalent to 26.6% of GDP, and a record trade surplus of USD 17.7bn in 2023; and GDP growth for 2024 is estimated at 3.1%, according to the Central Bank of Peru (BCRP).¹

However, the impact investment ecosystem in Peru is still in its early stages, but it is growing. **COFIDE, Peru's development bank, has spearheaded the creation of the Peruvian National Partner (NP) to promote impact investment in June 2023.** Other public organisations, such as the Ministry of the Environment, are also promoting impact investing for big businesses. Despite several public and private initiatives to promote social entrepreneurship, impact start-ups and businesses remain a niche.

There is also a significant number of incubators and accelerators in the country, they typically support all types of ventures. Impact funds are largely linked to microfinance, with some funds also operating in the agricultural sector, with a strong focus on the coffee and cocoa value chains. More recently, there has been an increase in investment in biodiversity products that benefit communities, with a particular focus on the Amazon region. Another important area is fintech. The majority of impact funds operating in Peru are foreign or have remote decision-making structures, while local capital has yet to fully integrate impact considerations into its investment strategies.



GSG National Partner in Peru has been represented by **Aliados de Impacto** since 2023.

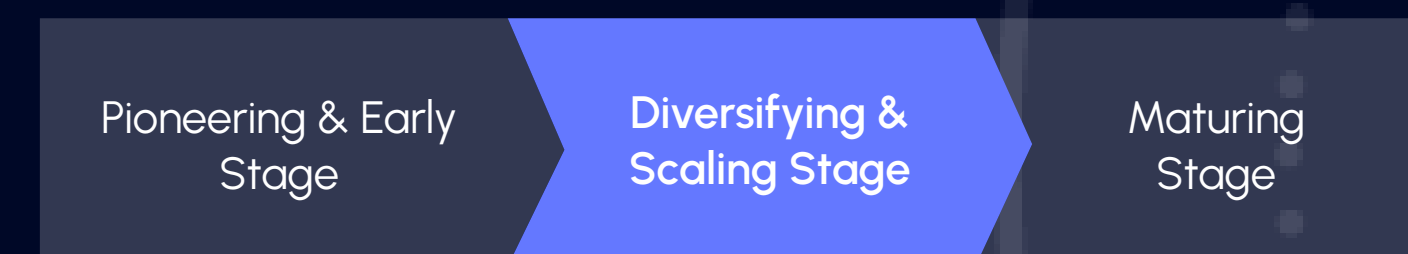
¹ EY (2024). Peru's Business and Investment Guide 2024. <https://cdn.www.gob.pe/uploads/document/file/6867049/5939027-business-and-investment-guide-2024-peru-a-gateway-to-investment-opportunities.pdf>

Impact Investment Market Size as of 2018²:

USD 218 million

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Green credit lines for sustainable initiatives

Social entrepreneurship award

ProInnovate

COFIDE's thematic bonds

Green Finance Roadmap

² ANDE & LAVCA (2018). The Impact Investing Landscape in Latin America. https://www.lavca.org/wp-content/uploads/2023/10/UPDATEDAF_ASPEN_Summary_LATAM_ENG_2018_Digital_19outubro.pdf

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- **Green credit lines for sustainable initiatives** have been introduced through Cajas Municipales de Ahorro y Crédito, the main providers of formal microcredit in the country, supported by GIZ, USAID, the Government of Canada, and Conservation International, and promoted by the Ministry of the Environment (MINAM). These include a USD 30.7M biodigester credit line for 9,000 farmers (Caja Cusco), a USD 79.5M line for 24,000 farmers (Caja Ica), and a Biocrédito program aiming to disburse USD 3.6M in environmental loans in 2024 to support sustainable businesses in the Amazon.
- Over **20 impact investors** operate in Peru, primarily focusing on agriculture, microfinance, and fintech. In 2023, a sample of seven impact investors collectively invested USD 31.5 million in 51 organisations across sectors such as food and agriculture, fintech, and microfinance. These investments help build a stronger pipeline for impact-driven enterprises.



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- **Desafío Kunan 2024**, Peru's most recognized award for social entrepreneurship, connects **over 400 ventures** through the **RED KUNAN network**, offering funding, mentorship, and visibility to impact-driven startups. The initiative fosters innovation and scalability for ventures addressing key social and environmental challenges.
- **ProInnovate**, under the Ministry of Production, enhances Peru's innovation ecosystem by co-financing high-impact startups and business accelerators. In 2023, the program allocated USD 38.9 million to fund 963 projects, focusing on MSMEs and innovation-driven enterprises. It supports sectors such as agriculture, manufacturing, and digital technology, enabling businesses to access international certifications, implement digitalisation strategies, and adopt climate-resilient solutions.
- In 2023, The **Investment Readiness Programme**, led by MINAM, supported 85 SMEs from 19 regions through three months of virtual training and tailored technical assistance. The programme connects enterprises with investors, facilitating over 200 investment meetings since 2022. The initiative mobilised USD 1.65 million, supporting SMEs in sectors like coffee, cacao, and sustainable agriculture.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Type of Funding	Investor	Sectors
<u>Prestamype</u>	\$5M pre-series A round	Equity Cuasi-equity	Oikocredit Salkantay; ODS 1, 8 y 10	Fintech
<u>Cooperativa Agraria Sonomoro del VRAEM</u>	\$700K	Debt	NESsT	<div>2 ZERO HUNGER</div>

Key Developments



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles.

- **COFIDE**, the national development bank, has issued **thematic bonds** (Social, Green, Sustainable, and Blue Bonds), raising over S/100 million (USD 26.5 million) in 2023 to finance impact-driven projects. The high demand for these bonds, exceeding S/500 million, indicates strong investor interest in sustainable finance. The bonds provide financing for, for example, MSMEs, renewable energy, and conservation initiatives, supporting Peru's commitment to a green economy.
- The **Green Finance Roadmap (HRFV)**, introduced by the Ministry of Environment, promotes sustainability in Peru's financial sector by integrating ESG principles into investment strategies. Key milestones include the Green Protocol, which encourages banks to adopt sustainability criteria, and the green finance taxonomy, developed with the Ministry of Economy, the World Bank, and the EU, to classify sustainable investments.



Market Building

- Aliados de Impacto hosted the first **Peruvian Impact Investment Summit** in 2024, bringing together 350 leaders from both the public and private sectors of the country.
- **Peru Produce: Innovation for Climate Change**, launched in 2023, provides up to USD 530K per business to scale climate-focused solutions in agriculture, clean energy, circular economy, and resilient fisheries. This initiative supports businesses with innovative technologies that mitigate climate change impacts and promote sustainability.
- **Matchmaking events**, launched in 2022 by MINAM with support of GIZ, providing connections between eco and biobusinesses with direct engagement opportunities. In 2023, 39 Biobusinesses connected with 12 impact investors, looking for funding for sustainability-focused projects. The initiative strengthens investor-business relationships, addressing the funding gap for impact enterprises. By expanding investor participation, these rounds attract capital to Peru's growing impact ecosystem, positioning the country as a hub for sustainability investments.

Publication highlight

Aliados de Impacto (2024). Exploring the Impact Investment Ecosystem: Actors, Gaps, and Opportunities in Peru.



Country Profiles

North America

North America

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Ecosystem Overview

Canada's renewed commitment to innovation and sustainable social finance is evident with the recent launch of the Social Finance Fund (SFF) and expanded investment from FinDev Canada. Responding to increased capital demand during the pandemic, the government has strategically strengthened the social finance ecosystem, which now includes over 80 intermediaries working in alignment with the Sustainable Development Goals (SDGs).

However, the need for catalytic capital remains significant, and as the ecosystem matures, stakeholders are actively pursuing broader engagement from foundations and pension funds to advance impact investing in Canada. Moreover, Canada remains a low-regulation jurisdiction for responsible investment, due to limited legal clarity on investor duties and a lack of robust policy action.

Currently, sustainability reporting and stewardship disclosures by Canadian investors are mostly voluntary, but mandatory disclosures could enhance investor awareness of ESG factors and foster deeper engagement with investee companies. Further efforts will be essential to foster collaboration across umbrella organisations and increase traditional capital flows into impact investing, both domestically and globally.

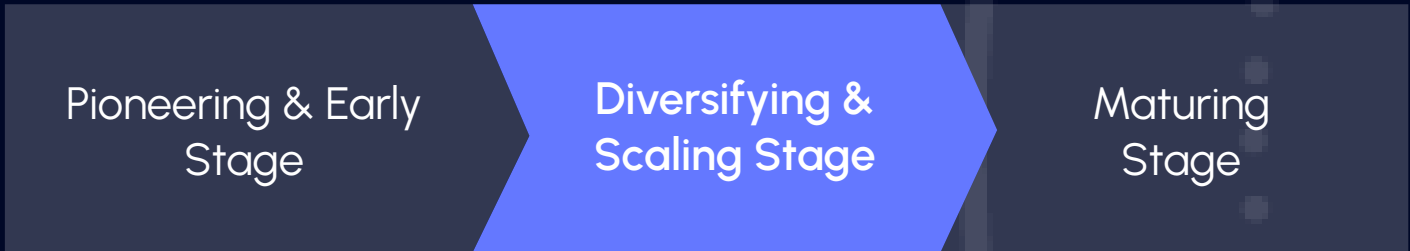


GSG National Partner in Canada has been represented since 2020 by the Canada Forum for Impact Investment and Development (CAFIID) composed of 120 members, and Table of Impact Investment Practitioners (TIIP) composed of 32 members as of 2024.

Impact Investment Market Size as of 2023¹:
CAD 14 billion (USD 10 billion)

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

- Impact investment wholesaler
- Outcome-based financing
- Investment readiness program
- International Assistance Innovation Program
- Sustainable finance taxonomy
- ESG reporting guidance

¹ Responsible Investment Association (2023). 2023 Canadian RI Trends Report. <https://www.riacanada.ca/research/2023-canadian-ri-trends-report/>

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- Launched in 2023 with CAD 755 million (~USD 564M) from the government, the **Social Finance Fund** (SFF) is Canada's **first impact investment wholesaler**², aimed at expanding flexible financing for social purpose organisations. In May 2023, Boann Social Impact, Fonds de Finance Social – CAP Finance, and Realize Capital Partners were selected as SFF's investment managers, focusing on sectors like affordable housing, food security, and poverty. Boann is managed by TIIP, while Realize Capital is managed by CAFIID member Rally Assets.
- As of September 2023, Canada has invested over USD 14.5 million toward supporting 10,000+ beneficiaries through **Outcomes-Based Financing** (OBF) transactions, predominantly focused on provincial initiatives. In recent years, there has been a noticeable increase in the number of environmental-related OBF contracts, all of which have centred on Indigenous communities across Canada³. The recently developed **OBF database** by Sorensen Institute and Raven Capital provides more information on OBF transactions in Canada.

² To learn more, see GSG Impact (2024). Impact Investment Wholesalers and Fund of Funds. <https://www.gsgimpact.org/resources/publications-and-reports/impact-investment-wholesalers-and-fund-of-funds-design-insights-from-the-gsg-impact-partnership/>.
³ Sorensen Institute and Raven Capital (2024). The State of Outcomes-Based Finance in Canada. <https://sorensenimpactinstitute.com/wp-content/uploads/2024/05/Raven-Report-2023-singlePg-Final.pdf>



Demand for Impact Capital

Diversifying/Scaling

Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

- The **Investment Readiness Program**, established by the Government of Canada, has helped social purpose organizations (SPOs) overcome barriers to accessing social finance from 2019 to 2024, allocating \$100 million in investment in total. The program supported 1160 SPOs to build their capacity to access social finance and participate in the larger social investing and finance ecosystem.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Type of Funding	Investor	SDGs
FinDev Canada - Asociación de Cooperativas Argentinas	\$80m	Syndicated Loan	Findev Canada	8 DECENT WORK AND ECONOMIC GROWTH
FinDev Canada - Colombia - Banco de Bogotá S.A	\$50m	Subordinated Bond	Findev Canada	1 NO POVERTY
Realize Capital: Various Idealist Capital, The Jubilee Fund Inc., Maple Bridge Ventures, New Market Funds, PaceZero Capital Partners, Raven Indigenous Capital Partners, Relentless Venture Fund, Food and AgTech Fund, Windmill Microlending	\$25m	Debt and Equity	Realize Capital	10 REDUCED INEQUALITIES
Boann Various deals: Active, BKR Capital; Local Investing YYC Cooperative; New Market Funds; Cycle Capital	\$24m	Debt and Equity	Boann	Various

Key Developments



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles.

- The Government of Canada has renewed its commitment to supporting climate finance and introduced a second phase of the **International Assistance Innovation Program** to bolster global impact investing initiatives to achieve SDGs, allocating \$900 million in funding.
- In late 2022, the government released the **Taxonomy Roadmap Report**, outlining a “Made in Canada” approach to mobilising finance for sustainable growth through definitions of green and transition investments. In 2023, consultations on the roadmap continued, initiating the development of Canada’s taxonomy.
- The Canadian Securities Administrators have issued updated **guidance for investment funds regarding ESG-related disclosures**, aligning with existing regulatory requirements. The aim is to enhance clarity and consistency in ESG-related fund disclosure, empowering investors to make better-informed decisions.



Market Building

- In May 2024, the **Canadian Impact Investing Working Group**, comprised of several CAFIID members, released a **report** that identified the challenges and barriers to impact investing in Canada and proposed a roadmap consisting of 18 recommendations for investors, asset managers and beneficiaries.
- CAFIID formed **Communities of Practice (CoPs)** on **Gender Lens Investing** and **Impact Measurement and Management** to provide essential tools, frameworks, and resources for assessing and managing impact. These initiatives foster expertise within the impact investing sector. In 2023, CAFIID organised more than 20 in-person and online events that delved into various aspects of impact investing.

Publication highlight

The Canadian Impact Investing Working Group (2024). Scaling Impact Investing In Canada Through Mobilizing Asset Owners.



Ecosystem Overview

The U.S. impact investing market has grown rapidly in the last 15 years, transitioning from a niche practice to a mainstream movement. This market evolution can be credited to a combination of drivers, including the work of field builders, growing investor demand and public policy-enabled opportunities.

Impact investing strategies take a wide range of forms across asset classes, risk-return profiles and impact themes, and there is a thriving ecosystem of impact investors, impact investment funds, community investing and other non-profit financial intermediaries and impact businesses across the country. Investors are increasingly considering systemic risks and the ways that investment decisions can account for broad social, economic and environmental impacts through the lens of fiduciary duty.

The growth of anti-ESG and anti-DEI sentiment poses significant risks to impact investing, including potential legal and regulatory action against investors and corporations. Despite this tense political climate, there is growing momentum behind initiatives that promote transparency and reporting to counter these threats. The focus is on building bipartisan support and fostering transparency at the state level, particularly in California and other Democratic-led states.



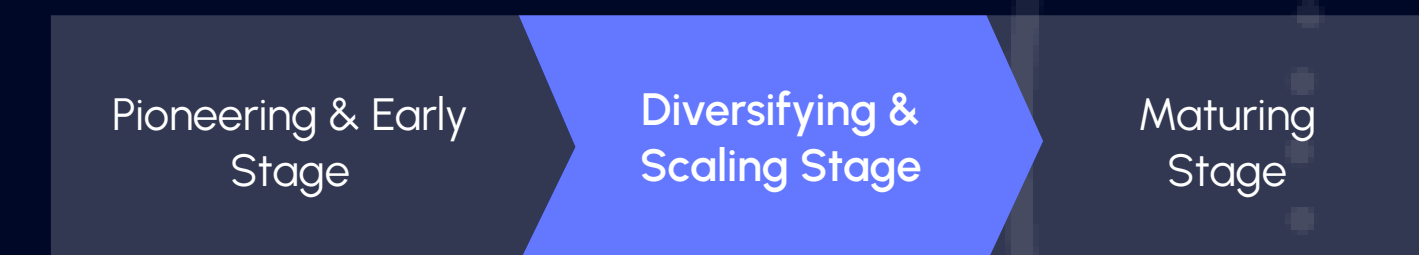
GSG National Partner in the U.S. has been represented by The U.S. Impact Investing Alliance (the Alliance) since 2017 and is composed of 25 members as of 2024.

Impact Investment Market Size as of 2024¹:

USD 550 billion

Ecosystem Stage At A Glance

Supply and Intermediation of Impact Capital



Demand for Impact Capital



Government and Policy



Key words:

Greenhouse Gas Reduction Fund

Just Transition

Ownership Economy

Public policy statements

Climate-related risks

Scope 1 and 2 GHG emissions

¹ GIIN (2024). Sizing the Impact Investing Market 2024. <https://s3.amazonaws.com/giin-web-assets/giin/assets/publication/giin-sizingtheimpact-investingmarket-2024.pdf>

Key Developments



Supply and Intermediation of Impact Capital

Diversifying/Scaling Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

• In April 2024, the Environmental Protection Agency (EPA) announced \$20 billion in grant awards through the **Greenhouse Gas Reduction Fund**. These grants aim to establish a national network of climate finance intermediaries to support clean energy production and emissions reductions. Of the awards, \$14 billion was specifically targeted to support distributed energy and storage, net zero building construction, and zero emissions vehicle infrastructure in low-income and disadvantaged communities.



Demand for Impact Capital

Diversifying/Scaling Innovative solutions have been successfully tested, attracting newcomers through the demonstration effect.

• **Community investors** focused on historically underinvested communities are increasingly focused on climate resilience and fostering a **just transition**. These efforts have been fueled by robust public investment in infrastructure, clean energy and emissions reductions. In 2023, the Alliance convened an event at the Ford Foundation during Climate Week that was attended by more than 150 investors focused on climate justice and authentic community engagement.

• There is growing interest from impact investors in the **“Ownership Economy”** to support employee ownership, small business creation and affordable home ownership. In particular, several private equity firms have developed employee ownership strategies, including Ownership Works, an initiative of KKR and boutique firms like Apis & Heritage. The Alliance has worked to raise awareness of ownership strategies for impact investors and has advocated for supportive public policy.

Impact Investment Deal Spotlights

Company	Total Funding (USD)	Investor	Sectors
SDG Loan Fund	\$1.1 billion	MacArthur Foundation, Allianz, FMO and Skandia	7 AFFORDABLE AND CLEAN ENERGY 2 ZERO HUNGER
GroundBreak Coalition	\$926.75 million	McKnight Foundation and 40 cross-sector institutions	10 REDUCED INEQUALITIES
Etsy Impact Investment Fund	\$30 million	Etsy in partnership with ImpactAssets	8 DECENT WORK AND ECONOMIC GROWTH
Blackstar Stability Distressed Debt Fund and Afterglow Climate Justice Fun	\$7.5 million	Social Finance Impact First Fund	13 CLIMATE ACTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Enable Ventures	\$5 million	UnitedHealth Group	10 REDUCED INEQUALITIES

Key Developments



Government and Policy

Growing Government Support

Government has started to engage with the market, for instance, by procuring outcomes (e.g. SIBs) or supplying impact capital, facilitating the market, or addressing regulatory obstacles.

- In 2023, there were many public policy wins for the impact investing ecosystem in the United States. Below is a round-up of some of the Alliance's recent **public policy statements** and comment letters related to regulatory and legislative developments in the United States.
- **Coalition on Inclusive Economic Growth letter to Members of Congress endorsing Julie Su's nomination to be Secretary of the Labor Department**
- **Letter to Members of Congress in Support of ESG Integration**
- **Comments to ISSB on Proposed Work Plan**
- **Support for SEC Transparency and Disclosure Agenda**
- **Support for Community Reinvestment Act reforms**
- **Endorsement of the Employee Equity Investment Act**
- In March 2024, the Securities and Exchange Commission (SEC) approved a **final rule** requiring companies to gradually disclose material **climate-related risks**, including the risks' impacts on a company's strategy, business model, and outlook, as well as any climate-related targets or goals. The new rule mandates that publicly registered companies disclose their **Scope 1 and 2 greenhouse gas (GHG) emissions** starting between 2025 and 2027, which are direct emissions from company-owned sources and indirect emissions from purchased electricity or other forms of energy. The rule is currently on hold pending litigation over its permissibility. California has also moved forward with **first-of-its-kind legislation** to require disclosure on Scope 1, 2 and 3 GHG emissions by all large (\$1bn or more in revenue) publicly and privately held businesses operating in the state by 2027.



Market Building

- The Alliance published a report, **Impact at Work**, on emerging corporate impact investing strategies and best practices for companies to build durable programs. Another relevant report, **Impact in the Balance**, supported by the Robert Wood Johnson Foundation, examines how foundations are leveraging the liabilities side of their balance sheets for impact.
- The **Tipping Point Fund on Impact Investing**, a donor collaborative that makes grants supporting impact investing market building, announced **\$1.14 million in grants** to organisations focused on enhancing impact data, metrics, and measurement, as well as **\$950,000 in grants** to five organisations working to advance public policies related to SEC corporate disclosure and community investing.

Publication highlight

GIIN (2024). Sizing the Impact Investing Market 2024.
PDI (2024). How U.S. investors can foster more inclusive capitalism.





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