

GSG

LEADERSHIP – MEETING – 2023

Istanbul, Türkiye
30 May – 1 June

In partnership with

EYDK Impact
Investing
Advisory
Board

Proceedings

 **OVERALL
SATISFACTION**
94%

From May 30th to June 1st, the Global Steering Group for Impact Investing (GSG) held its annual Leadership Meeting in Istanbul, Türkiye. Generously co-hosted by EYDK, Türkiye's National Advisory Board (NAB), the event brought together **121 leaders representing 49 countries**.



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The gathering was an occasion to celebrate GSG's 10 year anniversary, take stock of the progress made, and to design common priorities and actions to address urgent issues and achieve the SDGs by 2030. Key areas for collaboration include policy advocacy and impact transparency, mobilisation of private capital for impact in emerging markets, and building impact economies.

The day before the leadership meeting, the Türkiye NAB held a public event presenting the Turkish impact investing ecosystem. It showcased Türkiye's recent successes and progress in establishing its first early-stage impact fund, impact wholesaler and Social Impact Bond. The event positioned the country as a remarkable example of how emerging economies can leverage impact investing as part of their development strategy. [Click here to watch the event recordings.](#)

Our progress towards an impact economy



Our community continues to grow

The Board approved the membership of two new countries, Peru and Belgium. The GSG now counts 32 Advisory Boards covering 37 countries. Together, we are over 900 influential market leaders and stakeholders.



Advisory Boards have been leading the growth of impact investing ecosystems:

The public sector is now supplying impact capital or using outcomes-based procurement in more than half of GSG's member countries. A quarter of NABs estimate that their impact investing market grew by more than 50% over the past year. Australia, Canada, Ghana, Nigeria and Spain have, or are in the process of mobilising USD 1.5 billion for impact through wholesaler funds.



With GSG's support, Advisory Boards are collaborating to advance impact investing globally

More than $\frac{3}{4}$ of the Advisory Boards collaborate on research, policy advocacy, and international stakeholder convenings.

Examples of NAB achievements



Türkiye first early, stage **Impact Fund**, was established, a **USD 20 million** venture philanthropy initiative



The UK launched a **Just Transition Challenge** bringing together impact investors, DFIs and mainstream asset managers managing about **USD 5 trillions** in assets.



In Nigeria, the government committed to providing anchor funding for an impact **wholesaler**



In Ghana, the NAB has finalised the design or an impact **Fund of Funds**



Japan's first **outcome fund** was established, and Australia announced a **USD 66 million** outcome fund.



Brazil, Chile, Ghana and Nigeria launched **deal sourcing platforms**, increasing market linkages



In Japan, the NAB provided input into the Prime Minister's New Capitalism policy.



in Colombia, South Africa, and Zambia, impact investing was included in **National Development Plans**



Argentina's National Security Commission approved a simplified and guaranteed regime for **social Impact bonds**.



Korea Impact Valuation Institutes was established which aims to **promote impact accounting** in the country. This follows the set up of the Korea impact Alliance, the local arm of the ISSB.



The Israel NAB is leading on a **collaborative research project** with the NAB to map SDG tech ecosystems in Israel, France, UK, Italy, Portugal



European NABs published **harmonised market sizing data** for the first time, estimating the European direct private impact investing market at **USD 88 billion**

We brainstormed our next tipping point

- ▲ To drive change **we need to set ambitious objectives**. In our first strategic plan, we set ourselves a goal that we collectively achieved: building impact investing ecosystems in 30 countries, and increasing the market to over \$300 billion. But what is now needed for impact investing to become a mainstream practice?
- ▲ Research shows that when just 10% of the population hold an unshakeable belief, they can change the minds of everyone else: that is what sociologists call a tipping point. So what if 10% of investors invested with a positive impact? What if 10% of assets under management were invested into impact? GSG's leaders reflected on this and are working on a vision of 10% of assets in their country being invested into impact.

- ▲ About 80% of GLM participants thought that **bringing 10% of all assets under management into impact** by 2030 was an achievable goal. However, each ecosystem is different: in the next months, we will work on defining country-level targets that are both aspirational and grounded in contextual realities. In October, we will gather in Malaga with the aim to commit to capital mobilisation targets to inspire market players to accelerate their transition to an impact economy.
- ▲ This will require for significantly more listed investments and institutional investors to contribute to creating positive impact, with additionality and integrity. It is also essential not to lose sight of the impact created by limiting our objectives to the amount of capital mobilised. This is why we will aim to **make mandatory impact accounting a reality by 2025**.

We agreed a way forward

1

Policy, Advocacy and Impact Transparency

An enabling regulatory environment and strong government engagement is essential to achieve our vision of establishing impact economies. In particular, we see mandatory accounting for impact as a key to bringing impact investing to the mainstream.

2

Mobilising Private Capital for impact in emerging markets

While emerging markets have the highest needs, impact investing still disproportionately flow to opportunities in developed markets. To ensure that they are not left behind and achieve the SDGs, mobilising private capital in and for emerging markets is primordial.

3

Building impact economies

To achieve truly systemic change, we need to address cross-cutting challenges and opportunities such as the link between social and environmental impact, and the role of technology. Increased access to quality market data is also essential to drive decision making and measure our progress.

1

This year, we will continue to work together on:

Policy, Advocacy and Impact Transparency

- ▲ Outcome-based procurement should be adopted at scale: we will **identify the barriers and recommendations to the adoption of outcome-based procurement** in government and publish a knowledge paper by the end of 2023.
- ▲ International forums are key to influence national policy: we will **issue recommendations for the 2023 MIKTA forum**, and **join the G7's Investment Initiative for Global Health (IIIGH)**.
- ▲ We need global impact standards: we will **support global impact transparency initiatives** from the International Sustainability Standards Board (ISSB) and the International Foundation for Valuing impact (IFVI) by providing bottom-up inputs and supporting their adaptation to local contexts.

2

Mobilising Private Capital for impact in emerging markets

- ▲ Financial vehicles and products should meet investors' needs: we will continue to **support the development of financial instruments** that are context-specific, lower-cost and de-risk investments.
- ▲ Investors (especially institutional ones) need larger, high quality pipelines: we will continue to **strengthen demand-side capacity, address informality, and facilitate efficient matchmaking** (e.g., through deal platforms and readiness programmes).
- ▲ Investors need better information to assess risk in emerging markets: we will **convene and educate global and local institutional investors** (e.g., pension funds, central banks), through case studies and impact funds showcases, and **push DFIs to share their track record data**.
- ▲ Pipeline aggregation is crucial to reach scale: we will continue to **catalyse impact wholesalers** in emerging markets and publish a report on good practices in setting up such intermediaries.
- ▲ DFIs can play a greater role in mobilising private capital for the SDGs in emerging markets: we will **expand our engagements and collaborations with DFIs**.

3

Building impact economies

- ▲ We need comparable market data to measure our progress: we will keep building synergies and partnerships to **harmonise market sizing methodologies**, building on the example of the European NABs consortium and EVPA partnership.
- ▲ Social and environmental issues are intertwined: we will **encourage more investments in a Just transition**, building on the work undertaken by the Impact Investing Institute.
- ▲ Technology can be instrumental in delivering impact: we will **release a framework for mapping SDG-driven tech ecosystems** and implement lessons learned through our research.

Regional Collaborations

NABs identified opportunities for the regional level:

IN AFRICA & THE MIDDLE EAST, NABS WILL

- ▲ Identify opportunities to collaborate on policy advocacy at the African Union and ECOWAS level
- ▲ Conduct a joint market sizing in coordination with AVPA
- ▲ Translate DealSource Africa into French and expand the platform to Zambia
- ▲ Engage in joint fundraising by collaborating on proposals
- ▲ Support the development of new NABs on the continent
- ▲ Continue to organise an African Impact Summit on a biennial basis

IN ASIA & THE PACIFIC, NABS WILL

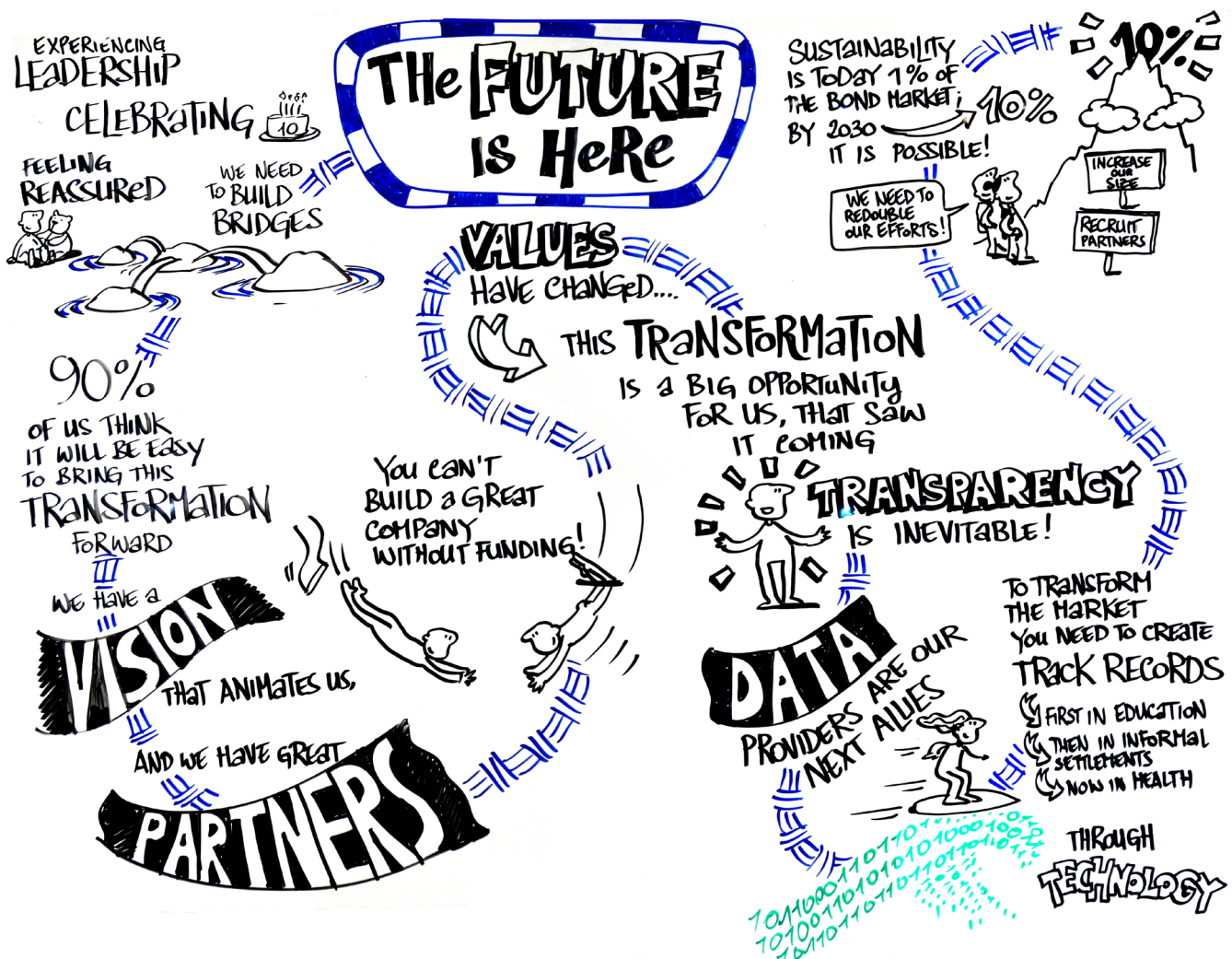
- ▲ Send a joint open letter to the ISSB to highlight challenges faced by Asian companies
- ▲ Share data on fund allocation in the region, and investment case studies
- ▲ Explore opportunities to create an Asia Impact Fund
- ▲ Share best practices on how to establish impact wholesalers and mobilise pension funds
- ▲ Explore organise a regional meeting in Bangkok

IN EUROPE, NABS WILL

- ▲ Set up a task force to develop a regional strategy
- ▲ Identify at least one key issue to drive common policy advocacy with the European Commission
- ▲ Define a common definition of impact investing and continue working on data harmonisation, in collaboration with EVPA
- ▲ Create a structured process for peer learning at regional level

IN LATIN AMERICA, THE NABS WILL

- ▲ Set up a steering group to align definitions of impact investing and identify the best partners in order to conduct a regional market sizing
- ▲ Set up a task force to work on improving regional coordination and deepening relations between the Latin American NABs
- ▲ Identify synergies with other NABs in emerging markets and global GSG initiatives





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