



SUSTAINABLE DEVELOPMENT GOALS

IMPACT THEME FRAMEWORK











V2.0

In 2015, under the guidance of the United Nations, countries adopted a set of goals to end poverty, protect the planet, and ensure prosperity for all as part of a new sustainable development agenda. The Goals are referred as the 17 UN Sustainable Development Goals ("SDGs").



In order to align Toniic's efforts with the industry, and report data that can be comparable across the impact investment ecosystem, Toniic mapped the impact themes of interest to its members to the Sustainable Development Goals and the SDGs Targets to be achieved by year 2030.

To track your impact towards the SDGs, we recommend using the IRIS methodology. To learn more, visit their website: iris.thegiin.org

SDG	Description	Toniic Impact Theme
1 NO POVERTY 	End poverty in all its forms everywhere pg 4	<ul style="list-style-type: none"> • Access to basic goods and services • Financial inclusion
2 ZERO HUNGER 	End hunger, improve nutrition, and promote sustainable agriculture pg 5	<ul style="list-style-type: none"> • Food security • Healthy food • Small holder farmers • Sustainable agriculture
3 GOOD HEALTH AND WELL-BEING 	Ensure healthy lives and promote well-being for all at all ages pg 6-7	<ul style="list-style-type: none"> • Access to health care • Ageing • Maternal and reproductive health • Mental health • Disease prevention and response • Fitness and wellbeing • Biotechnology
4 QUALITY EDUCATION 	Ensure quality education for all pg 8	<ul style="list-style-type: none"> • Access to education • Education systems • Upskilling
5 GENDER EQUALITY 	Achieve gender equality and empower all women and girls pg 9	<ul style="list-style-type: none"> • Products and services for women • Women inclusive corporate policies • Women leadership and capital
6 CLEAN WATER AND SANITATION 	Ensure availability and sustainable management of water and sanitation for all pg 10	<ul style="list-style-type: none"> • Clean drinking water • Sanitation • Water infrastructure • Water conservation
7 AFFORDABLE AND CLEAN ENERGY 	Ensure access to affordable, reliable, clean energy for all pg 11	<ul style="list-style-type: none"> • Access to (clean) energy • Transition from fossil to clean energy • Energy efficiency
8 DECENT WORK AND ECONOMIC GROWTH 	Promote decent work for all and sustainable economic growth pg 12	<ul style="list-style-type: none"> • Developed world jobs • Developing world jobs • Fair trade and ethical supply

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Build resilient infrastructure;
promote sustainable
industrialization and foster
innovation
pg 13

- Digital infrastructure
- Sustainable physical infrastructure
- Technology and technology transfer
- Small enterprise lending

10 REDUCED INEQUALITIES



Reduce inequality within and
among countries
pg 14

- Equality
- Refugees
- Social justice

11 SUSTAINABLE CITIES AND COMMUNITIES



Make cities and human
settlements inclusive, safe,
resilient, and sustainable
pg 15

- Affordable housing
- Community empowerment
- Green building
- Homelessness
- Smart cities and mobility

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Ensure sustainable consumption
and production patterns
pg 16

- Circular economy
- Environmental health
- Resource efficiency
- Food waste

13 CLIMATE ACTION



Ensure sustainable consumption
and production patterns
pg 17

- Climate adaptation strategies
- CO2 harvesting and storage
- Greenhouse gas reduction

14 LIFE BELOW WATER



Protection and sustainable use
of marine resources
pg 18

- Sustainably managed ocean resources
- A clean ocean
- Thriving and restored marine habitats
- Towards 1.5C
- Climate resilient coastal communities

15 LIFE ON LAND



Protection and sustainable use
of land resources
pg 19

- Animal welfare
- Sustainably managed landscapes
- Biodiversity and conservation

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Promote peaceful and inclusive
societies, provide access to
justice, and provide strong
institutions
pg 20

- Policies and governments
- Culture and the arts
- Media
- Conflict resolution

17 PARTNERSHIPS FOR THE GOALS



Work together for sustainable
development
pg 21

- Financial system change
- Blended capital
- Building the impact ecosystem

Goal 1 : No Poverty

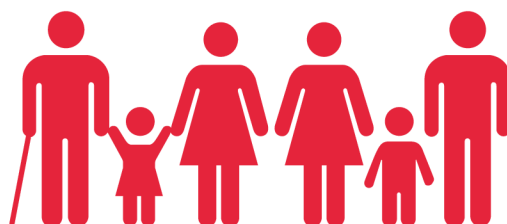
Access to basic goods and services

The poor often lack access to goods and services that those in the developed world take for granted. Sometimes access simply requires more income; sometimes it can be improved by selling smaller packages, improving distribution to remote areas, providing purchase financing, or creating products that can be produced at much lower price points. Investments in this theme use one or more of these mechanisms to improve access to basic goods and services for the poor.

Financial inclusion

The poor often rely on jobs and occupations in the informal economy. This, combined with the challenges to adapt the traditional financial institutions business models and infrastructure to people living in poverty, excludes them from accessing traditional financial services, including saving, borrowing, and insurance. Without access to savings and insurance, unpredictable expenses, such as health costs, often are a heavy burden for people living in poverty.

At the same time, financial services such as microfinance that lend to families (typically women who tend to be more financially savvy) and microentrepreneurs, combined with basic financial literacy, can lift people out of poverty by improving the economic condition.



Goal 2: Zero Hunger

Food security

As defined by the FAO, "Food security exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food which meets their dietary needs and food preferences for an active and healthy life."

Healthy food

As defined by the FAO, "Consuming a healthy diet throughout the life-course helps prevent malnutrition in all its forms as well as a range of noncommunicable diseases (NCDs) and conditions. But increasing production of processed food, rapid urbanization and changing lifestyles have led to a shift in dietary patterns. People are consuming more foods high in energy, saturated fats, trans fats, free sugars or salt/sodium, and many do not eat enough fruit, vegetables and dietary fibre such as whole grains."

Small holder farmers

According to the Conservation Finance Network, small holder farmers produce the majority of food in developing countries, however their productivity is affected by low yields and inefficient farming practices. In addition to that, soil erosion and deforestation degrade soil and air quality, further reducing farmers productivity. Small holder farmers often lack access to the value chain, including produce processing and cold chain, perpetuating a condition of poverty that the World Bank estimates in 500 million people, a large proportion of the world's poor living on less than \$2 a day.

Sustainable agriculture

As defined by the sustainable agriculture vision of the FAO: "It is a vision of a world in which food is nutritious and accessible for everyone and natural resources are managed in a way that maintain ecosystem functions to support current as well as future human needs. In this vision, farmers, pastoralists, fisher folks, foresters and other rural dwellers have the opportunity to actively participate in, and benefit from, economic development, have decent employment conditions and work in a fair price environment. Rural men, women, and communities live in security, and have control over their livelihoods and equitable access to resources which they use in an efficient way."



Goal 3: Good Health and Well-being

Access to healthcare

As defined by the World Health Organization, access to healthcare can be promoted through three dimensions "1. Physical accessibility. This is understood as the availability of good health services within reasonable reach of those who need them and of opening hours, appointment systems and other aspects of service organization and delivery that allow people to obtain the services when they need them. 2. Financial affordability. This is a measure of people's ability to pay for services without financial hardship. It takes into account not only the price of the health services but also indirect and opportunity costs (e.g. the costs of transportation to and from facilities and of taking time away from work). Affordability is influenced by the wider health financing system and by household income. 3. Acceptability. This captures people's willingness to seek services. Acceptability is low when patients perceive services to be ineffective or when social and cultural factors such as language or the age, sex, ethnicity or religion of the health provider discourage them from seeking services."

Ageing

As defined by the World Health Organization, "populations around the world are rapidly ageing. Ageing presents both challenges and opportunities. It will increase demand for primary health care and long-term care, require a larger and better trained workforce and intensify the need for environments to be made more age-friendly. Yet, these investments can enable the many contributions of older people – whether it be within their family, to their local community (e.g. as volunteers or within the formal or informal workforce) or to society more broadly. Societies that adapt to this changing demographic and invest in Healthy Ageing can enable individuals to live both longer and healthier lives and for societies to reap the dividends."

Maternal and reproductive health

As defined by the World Health Organization about Maternal health "every day in 2015, about 830 women died due to complications of pregnancy and child birth. Almost all of these deaths occurred in low-resource settings, and most could have been prevented. The primary causes of death are hemorrhage, hypertension, infections, and indirect causes, mostly due to interaction between pre-existing medical conditions and pregnancy. The risk of a woman in a developing country dying from a maternal-related cause during her lifetime is about 33 times higher compared to a woman living in a developed country. Maternal mortality is a health indicator that shows very wide gaps between rich and poor, urban and rural areas, both between countries and within them". In addition to Maternal Health, "family planning and ensuring access to preferred contraceptive methods for women and couples is essential to securing the well-being and autonomy of women, while supporting the health and development of communities."

Mental health

As defined by the World Health Organization, "good mental health is related to mental and psychological well-being (...) and it includes the prevention of mental disorders and the protection of human rights and the care of people affected by mental disorders."

Goal 3: Good Health and Well-being (cont)

Disease prevention and response

According to the WHO, "preventable diseases continue to impose a high burden of premature mortality, and unfortunately, simple and cost-effective preventive and curative interventions are underused". It is important to "Strengthen public health programmes to prevent communicable and noncommunicable diseases, and address risk factors. A high prevalence of risk factors can put populations or communities at a greater risk and result in more disease. These risk factors accumulate throughout the life-course and have economic, social, gender, political, behavioural and environmental determinants.

Comprehensive action on the leading causes, conditions and the high coverage of proven health interventions can significantly reduce the burden of disease, premature death and disability."

Disease Response involves the treatment of diseases, as well as the development of drugs. This includes the treatment of 'neglected' diseases (diseases that do not receive funding for treatment and drug development) that affect disproportionately people living in poverty and in developing countries.

Fitness and wellbeing

As defined by the World Health Organization "Unhealthy diet and physical inactivity are key risk factors for the major noncommunicable diseases such as cardiovascular diseases, cancer, and diabetes."

Biotechnology

Biotechnology investments are focused on the development of biological medicinal products to ensure safe and effective treatment and prevention of diseases, including drugs and vaccines.



Goal 4: Quality Education

Access to education

As defined by Unicef: "Every girl and boy, regardless of who they are or where they live, is entitled to nothing less than full and complete access to quality education. But many of the world's poorest and most marginalized children are denied this basic human right. A child's access to education is often determined by circumstances such as gender, location, conflict, disability and the family's socioeconomic status – factors that exist before the child is born. These barriers exclude 61 million primary school age children from school and deny them a fair chance to reach their full potential. Worst, exclusion from school not only thwarts children's individual potential but also fuels intergenerational cycles of poverty and disadvantage. It robs societies of a source of dynamic growth and development, and a chance to build social cohesion and reduce tensions that can spark violence."

Education systems

Improving Education systems involves interventions that can improve learning outcomes.

As defined by Unicef: "On any given day, more than 1 billion of the world's children go to school. They go to learn – but too often, that does not happen. For many children, learning becomes difficult because of discrimination, bullying, poor sanitation facilities, crumbling buildings or makeshift classes. Others come to school too hungry or sick, or too exhausted from work or household tasks, to benefit from their lessons. An estimated 250 million primary school aged children worldwide who cannot read, write or do basic math. More than half of these have attended at least four years of school."

Other improvements include the availability of basic classrooms and teachers, as well as leveraging technology and education technology. Other approaches include "Flipping the model" (doing homework in class and lectures online) to produce superior educational outcomes, as well as working with experiential learning as opposed to theoretical knowledge transfer.

Upskilling

In a time where careers don't last a full working life time anymore and technology and society changes at an ever increasing speed. Continuous learning and upskilling are essential. Using all tools possible to ensure life long learning to make sure as many people as possible can be engaged in meaningful work. Upskilling includes both technical skills, as well as social and emotional learning.



Goal 5: Gender Equality

Products and services for women

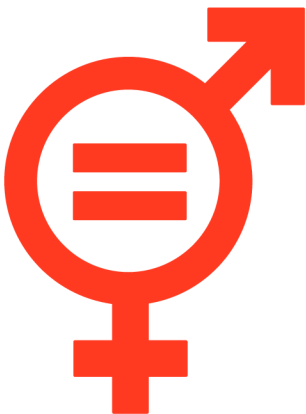
Products and services focused primarily (but only) on women and girls. Products that empower women and girls will improve gender equality.

Women inclusive corporate policies

Companies that focus on correcting gender wage inequality will attract talented women and will outperform financially and unlocking the potential of the female workers within companies improves productivity and equality.

Women leadership and capital

Investment strategies build around the fact that: women-led private companies deliver better financial results and improve gender equality.



Goal 6: Clean Water and Sanitation

Clean drinking water

As defined by the WHO, "Water safety and quality are fundamental to human development and well-being. Providing access to safe water is one of the most effective instruments in promoting health and reducing poverty."

Sanitation

As defined by the WHO, "Safely managed sanitation and safe wastewater treatment and reuse are fundamental to protect public health. Sanitation is critical for preventing many diseases including diarrhea, intestinal worms, schistosomiasis and trachoma which affect millions of peoples. Ensuring universal access to sanitation in households and institutional settings such as healthcare facilities and schools is essential in reducing disease, improving nutritional outcomes, enhancing safety, well-being and educational prospects, especially for women and girls. "

Water infrastructure

As defined by the WHO, "A growing world population, unrelenting urbanization, increasing scarcity of good quality water resources and rising fertilizer prices are the driving forces behind the accelerating upward trend in the use of wastewater, excreta and greywater for agriculture and aquaculture."

Water conservation

The UN estimate that "more than 2 billion people globally are living in countries with excess water stress, defined as the ratio of total freshwater withdrawn to total renewable freshwater resources above a threshold of 25 per cent." Water conservation promotes sustainable management of freshwater and the hydrosphere. In a time when climate change increases pressure on natural water resources, it is important to meet the current and future demand. Factors that influence human demand include agriculture, population, human settlements, water intensive industries.



Goal 7: Affordable and Clean Energy

Access to (clean) energy

As defined by the UN, "Energy is crucial for achieving almost all of the Sustainable Development Goals, from its role in the eradication of poverty through advancements in health, education, water supply and industrialization, to combating climate change. Globally, 85.3 per cent of the population had access to electricity in 2014, an increase of only 0.3 percentage points since 2012. That means that 1.06 billion people, predominantly rural dwellers, still function without electricity. Half of those people live in sub-Saharan Africa." It is important to distinguish energy and electricity.

Transition from fossil to clean energy

As defined by the UN, "The share of renewable energy in final energy consumption grew modestly from 2012 to 2014, from 17.9 per cent to 18.3 per cent. Most of the increase was from renewable electricity from water, solar and wind power. Solar and wind power still make up a relatively minor share of energy consumption, despite their rapid growth in recent years. The challenge is to increase the share of renewable energy in the heat and transport sectors, which together account for 80 per cent of global energy consumption."

Energy efficiency

Reducing the energy intensity, calculated by dividing total primary energy supply by GDP, is key to decoupling economic growth and climate change. One of the main reasons for its impact on climate change is related to the current energy mix: by improving efficiency we are directly reducing the usage of fossil fuels in the current energy mix.



Goal 8: Decent Work and Economic Growth

Developed world jobs

Creation of good jobs (fair wages & benefits), particularly in areas of high unemployment, as a positive social impact. For example by re-valuing the care economy (health care, home care, day care, child care, disability care) in wages and ownership.

Developing world jobs

SMEs are the backbone of developing economies. Investing in sustainable SMEs creates engines of job creation. Jobs directly impact society, economy, and welfare. The UN estimates the global unemployment rate "at 5.7 per cent in 2016, with women more likely to be unemployed than men across all age groups. Youth were almost three times as likely as adults to be unemployed, with unemployment rates of 12.8 per cent and 4.4 per cent, respectively, in 2016."

Fair trade and ethical supply

Getting a higher share of end product price to the original producer will help provide good jobs and end poverty. Shareholder advocacy & consumer education in developed countries can improve employment conditions in the developing world. Clarity and transparency will help distinguish genuinely good businesses.



Goal 9: Industry, Innovation, and Infrastructure

Digital infrastructure

The infrastructure needed to bring the digital revolution to anyone anywhere on the planet. According to the UN, in 2016, "95 per cent of the world's population and 85 per cent of people in the least developed countries were covered by a mobile-cellular signal." Digital infrastructure offers developing countries the chance to leapfrog developed countries.

Sustainable physical infrastructure

Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.

Technology and technology transfer

Scientific research and technological capabilities can significantly advance economic productivity, disrupt industries, reduce barriers, and lead to scientific investigation. Promoting technology also includes the technology transfer to developing economies to promote economic development and local capacity building.

Small enterprise lending

SMEs are the backbone of most economies but often SMEs (especially small enterprises) have no access to lending options to grow. Financial services allow integration into value chains and international markets.



Goal 10: Reduced Inequalities

Equality

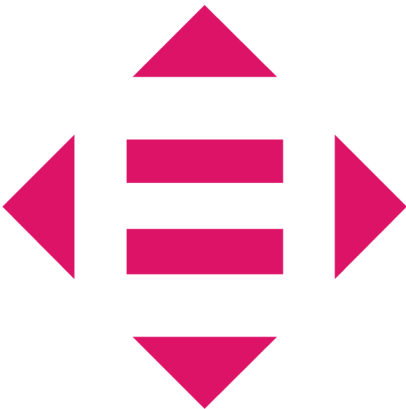
The equality within and among countries in terms of income and access to economic opportunities

Refugees

More and more people move (semi)permanently across the borders of their home country/region. Investing in refugees solutions can improve their life conditions and the costs to host countries

Social justice

Invest in companies driving social change for disenfranchised communities to promote equal rights and opportunities



Goal 11: Sustainable Cities and Communities

Affordable housing

To ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums. Investing in housing solutions for the most vulnerable in society (homeless, refugees, disabled), leads to great societal savings. Preserving (or investing in) affordable workforce housing in cities and improving residents lives creates more diverse and thus stronger communities.

Community empowerment

Community investing involves the deployment of capital into traditionally underserved individuals or communities, and promote businesses with a clear social or environmental purpose that will benefit the local populations.

Green building

Improve sustainability of the built environment (buildings account for 18% of global emissions today) while preserving health of the residents, especially kids who are more vulnerable to the chemicals contained in cheap building materials. When buildings are designed in a circular way the total cost of ownership is lower and it gives space for new business models, pay per use etc. Through a material passport for every building on the planet (detailing the materials used and how to take it apart again) would greatly reduce the cost of circular building and thus the total costs of ownership.

Homelessness

Homelessness is due to the lack of permanent dwelling, and leads to difficulties in maintaining employment as well as living in safety, security, and in healthy condition. Furthermore it leads to insecurity and prevents emotional wellbeing. Housing solutions can reduce costs for society.

Smart cities and mobility

According to the European Innovation Partnership on Smart Cities and Communities, smart cities and mobility solutions "concern the creation of an efficient and integrated mobility system that allows for organising and monitoring seamless transport across different modes; increasing the use of environmentally-friendly, alternative fuels; creating new opportunities for collective mobility. The proposed solutions lead to a decreased environmental impact."



Goal 12: Responsible Consumption and Production**Circular economy**

As defined by the Ellen MacArthur Foundation, "Looking beyond the current "take, make and dispose" extractive industrial model, the circular economy is restorative and regenerative by design. Relying on system-wide innovation, it aims to redefine products and services to design waste out, while minimising negative impacts.

Underpinned by a transition to renewable energy sources, the circular model builds economic, natural and social capital."

Environmental health

As defined by the National Environmental Health Association, Environmental health involves the prevention of "human injury and illness and promoting well-being by identifying and evaluating environmental sources and hazardous agents and limiting exposures to hazardous physical, chemical, and biological agents in air, water, soil, food, and other environmental media or settings that may adversely affect human health."

Resource efficiency

As defined by the UN, "Economic growth and development require the production of goods and services that improve the quality of life. Sustainable growth and development require minimizing the natural resources and toxic materials used, and the waste and pollutants generated, throughout the entire production and consumption process."

Food Waste

As defined by the FAO, "Hunger is still one of the most urgent development challenges, yet the world is producing more than enough food". "One-third of food produced for human consumption is lost or wasted globally, which amounts to about 1.3 billion tons per year. Food is lost or wasted throughout the supply chain, from initial agricultural production down to final household consumption. Food losses represent a waste of resources used in production such as land, water, energy and inputs, increasing the green gas emissions in vain (FAO, 2011)."



Goal 13: Climate Action

Climate adaptation strategies

As defined by Wikipedia, "Climate change adaptation is a response to global warming and climate change, that seeks to reduce the vulnerability of social and biological systems to relatively sudden change and thus offset the effects of global warming. Even if emissions are stabilized relatively soon, global warming and its effects should last many years, and adaptation would be necessary to the resulting changes in climate. Adaptation is especially important in developing countries since those countries are predicted to bear the brunt of the effects of global warming. That is, the capacity and potential for humans to adapt (called adaptive capacity) is unevenly distributed across different regions and populations, and developing countries generally have less capacity to adapt "

CO2 harvesting and storage

As defined by Wikipedia, "Carbon sequestration is the process involved in carbon capture and the long-term storage of atmospheric carbon dioxide. Carbon sequestration involves long-term storage of carbon dioxide or other forms of carbon to mitigate or defer global warming. It has been proposed as a way to slow the atmospheric and marine accumulation of greenhouse gases, which are released by burning fossil fuels.

Carbon dioxide (CO₂) is naturally captured from the atmosphere through biological, chemical, and physical processes. Artificial processes have been devised to produce similar effects, including large-scale, artificial capture and sequestration of industrially produced CO₂ using subsurface saline aquifers, reservoirs, ocean water, aging oil fields, or other carbon sinks."

Greenhouse gas reduction

As defined by Greenpeace, "Carbon dioxide is the most common greenhouse gas, but other greenhouse gases are much more potent in smaller concentrations." Reduction of all greenhouse gases is key.



Goal 14: Life Under Water

Sustainably managed ocean resources

Using the ocean's resources, such as fish, seaweed, and minerals, in a way that meets the needs of the present without compromising the ability of future generations to meet their own needs. It's about striking a balance between economic development, social equity, and environmental protection. This approach requires science based decision making, integrated and ecosystem based management, and a precautionary approach when risks are present.

A clean ocean

Prevent human-caused ocean pollution. This includes minimizing macro and micro plastics inflows, controlling nutrient runoff from land to prevent algal blooms, diverting contaminated wastewater for proper treatment, and preventing the introduction or spread of invasive species. Additionally, a clean ocean strives to eliminate or find safer alternatives to industrial and agricultural pollutants like heavy metals and harmful chemicals.

Thriving and restored marine habitats

Protect and restore marine habitats including coral reefs, mangrove forests, seagrass meadows, salt marshes, the ocean seabed and other marine ecosystems.

Towards 1.5C

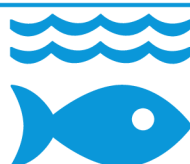
Climate adaptation and mitigation strategies are crucial for safeguarding the ocean on our path towards a 1.5°C world. Adaptation measures help marine ecosystems adjust to rising temperatures, acidification, and altered weather patterns. This could involve restoring mangroves to buffer coastlines from storms, establishing marine protected areas to allow fish populations to recover, and diversifying fisheries to reduce pressure on any one species. Mitigation strategies focus on reducing greenhouse gas emissions to limit global warming. Transitioning to renewable energy sources, improving energy efficiency, and protecting forests that absorb carbon dioxide are all essential steps.

Climate resilient coastal communities

Coastal communities need to prepare to withstand the challenges of a changing climate, such as rising sea levels, stronger storms, and coastal erosion. This involves measures like elevating infrastructure, restoring natural defenses like wetlands, and developing early warning systems. Additionally, these communities promote sustainable practices to reduce their environmental footprint and contribute to global mitigation efforts. Through planning, infrastructure investment, and community engagement, climate-resilient coastal communities can thrive alongside a healthy ocean.

Positive socio-economic outcomes

Positive socio economic outcome investments in the ocean realm focus on ventures that promote well being and equity alongside a healthy ocean. This means crosscutting investments that support sustainably managed ocean resources, a clean ocean and restored marine habitats, while empowering coastal communities.



These SDG 14 themes come from The Ocean Impact Navigator, developed by 1000 Ocean Startups.

Goal 15: Life on Land

Animal welfare

To improve animal welfare different strategies are deployed from reducing the consumption of animal protein to reducing the suffering of animals while producing animal protein.

Sustainably managed landscapes

As defined by Commonland Foundation, "Healthy landscapes and water systems are the basis of our life. They provide food, water, clean air, a stable climate, biodiversity, good health, security and happiness. However, one-fourth of the world's land mass is seriously degraded from centuries of human activity. Think: deforestation, overgrazing, overexploitation, the building of infrastructure and pollution. In economic terms, this incurs an estimated loss of more than USD 4.3 trillion per year."

Biodiversity and conservation

As defined by the UN: "Protecting key biodiversity areas is necessary to strengthen natural resource management and biodiversity conservation. Biodiversity loss continues at an alarming rate according to the Red List Index. The extinction risk for corals is increasing most rapidly among all assessed species groups owing to the growing threat from climate change and local impacts. Chytrid fungal disease, another grave concern, is decimating many amphibian species and increasing their risk of extinction. Wildlife poaching and trafficking continues to thwart conservation efforts."



Goal 16: Peace, Justice, and Strong Institutions

Policies and governments

Investment in policies promote transparency and accountability of the public sector, and are aimed to develop strong institutions to support the wellbeing of a nation.

In addition to public institutions, many impact investors focus on the role of governments to adopt impact investing as an important tool for promoting the public benefit. As defined by the US Impact Investing Alliance, "strong partnerships must be sustained and strengthened between government, private investors, foundations, intermediaries, the social sector, and entrepreneurs, in order to develop a thriving impact investing marketplace. And to reach its potential, this marketplace must provide investors with sufficient data to make informed investment decisions".

Culture and the arts

Invest in the arts to promote quality of life and cultural heritage. By promoting creative expression, it is possible to inspire the critical thinking and developments of individuals and communities as a whole. Perhaps one of the earliest forms of promoting the arts, patronage through private capital can be seen as a form of impact investing.

Media

Free, independent, and strong media are one of the most important tools to promote the accountability of governments, critical thinking, freedom of speech, and the development of democracies. Investing in media supports the organizations providing news and information to promote the development of nations.

Conflict resolution

Conflicts resolution involves joint efforts, including countries to diplomacy, trade, culture, investments, and more.

Investments promoting equitable economic development and inclusion provide incentives to long term stability and peace, reducing the risks of renewed conflicts.



Goal 17: Partnerships for the Goals

Financial system change

The current financial system is based on pursuing economic growth as opposed to the real economy and people. Despite having supported in the past the development of nations, financed fundamental innovations, and improved living standards, currently the financial system serves mainly itself. Financial institutions currently lack incentives to provide a clear, measurable benefit to the real economy. Impact investing is one important leverage point to change the financial system. Traditional investing is still based on Modern Portfolio Theory, which was defined 65 years ago and results inadequate to address major systemic issues of our times – including climate change, social justice, inequality, and global poverty. Modern Portfolio Theory defines systemic issues externalities and fails to internalize them. Impact investing is based on re-conceptualizing the existing financial theory to integrate positive social and environmental impact into its core. Such re-conceptualization requires policies that support accountability and sustainability reporting of companies, adequate pricing of externalities, and adequate incentives for a just financial system.

Blended capital

Blended capital consists of the strategic use of development finance, philanthropic, and sub-commercial funds to attract private and commercial capital flows to emerging and frontier market enterprises. Venture philanthropist participation alongside private investors not only encourages private capital into impact enterprises by lowering the risk/return hurdles, it often enables pilot or innovative programs and activities to be undertaken as well as ensuring that the social objectives of the enterprise are not compromised.

Creating blended capital structures will overcome the "pioneer gap" in adoption of unproven impact investments and business models, as well as financing the development of market infrastructure and intermediaries.

Building the impact ecosystem

Impact investing ecosystem investment consist of investments that expand the capacity of impact investors. The recipient of these investments include accelerators, impact investing intermediaries and advisors, social entrepreneurship organizations, fund managers, that combined can jointly increase the scale and reach of impact investments.

