



# THE POSITIVE IMPACT INITIATIVE & THE PRINCIPLES FOR POSITIVE IMPACT FINANCE

**A New Business and Financing Paradigm for Sustainable Development**

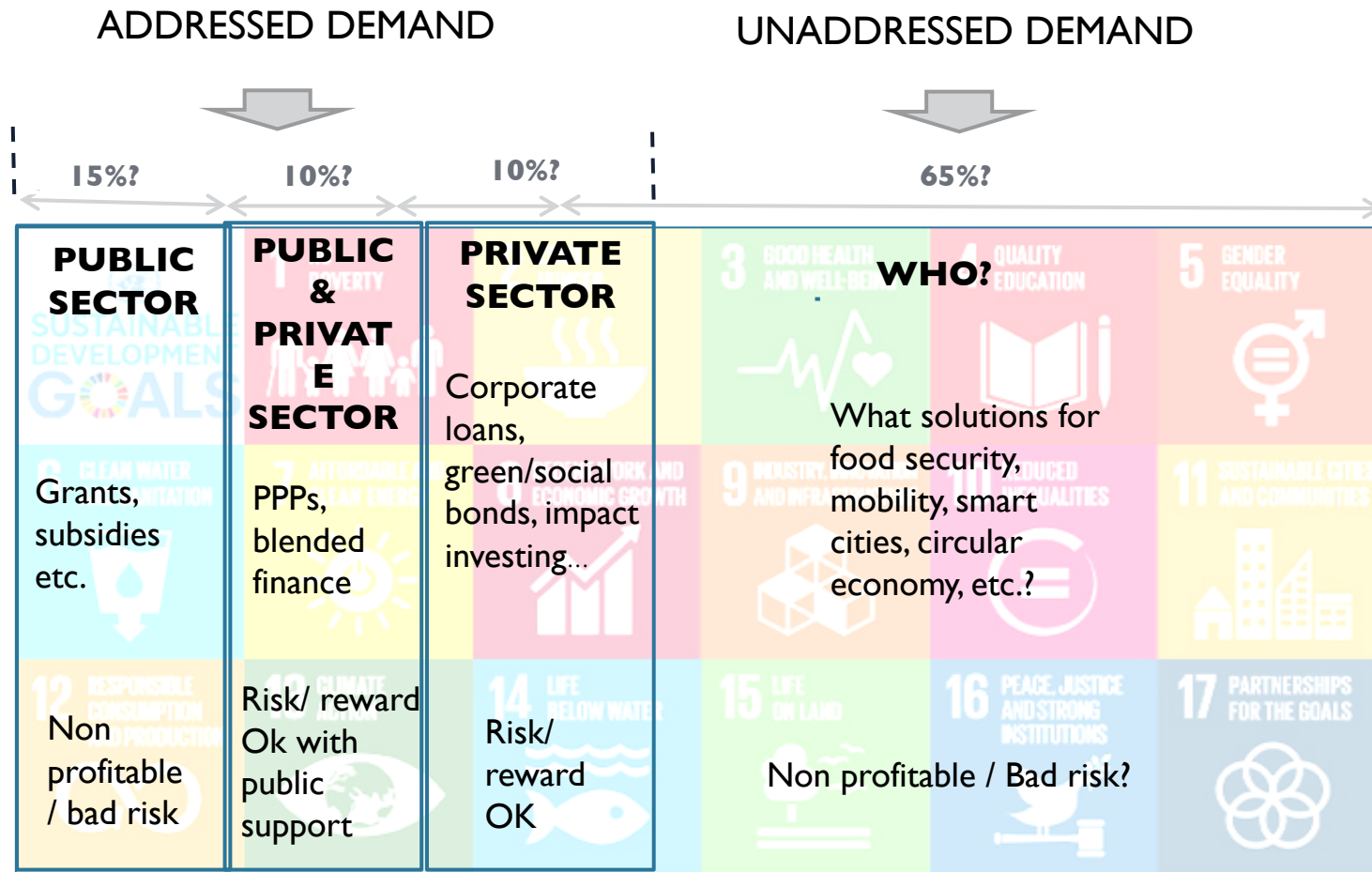
Buenos Aires, 6 September 2017



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# WHY THE POSITIVE IMPACT INITIATIVE?



# THE POSITIVE IMPACT MANIFESTO

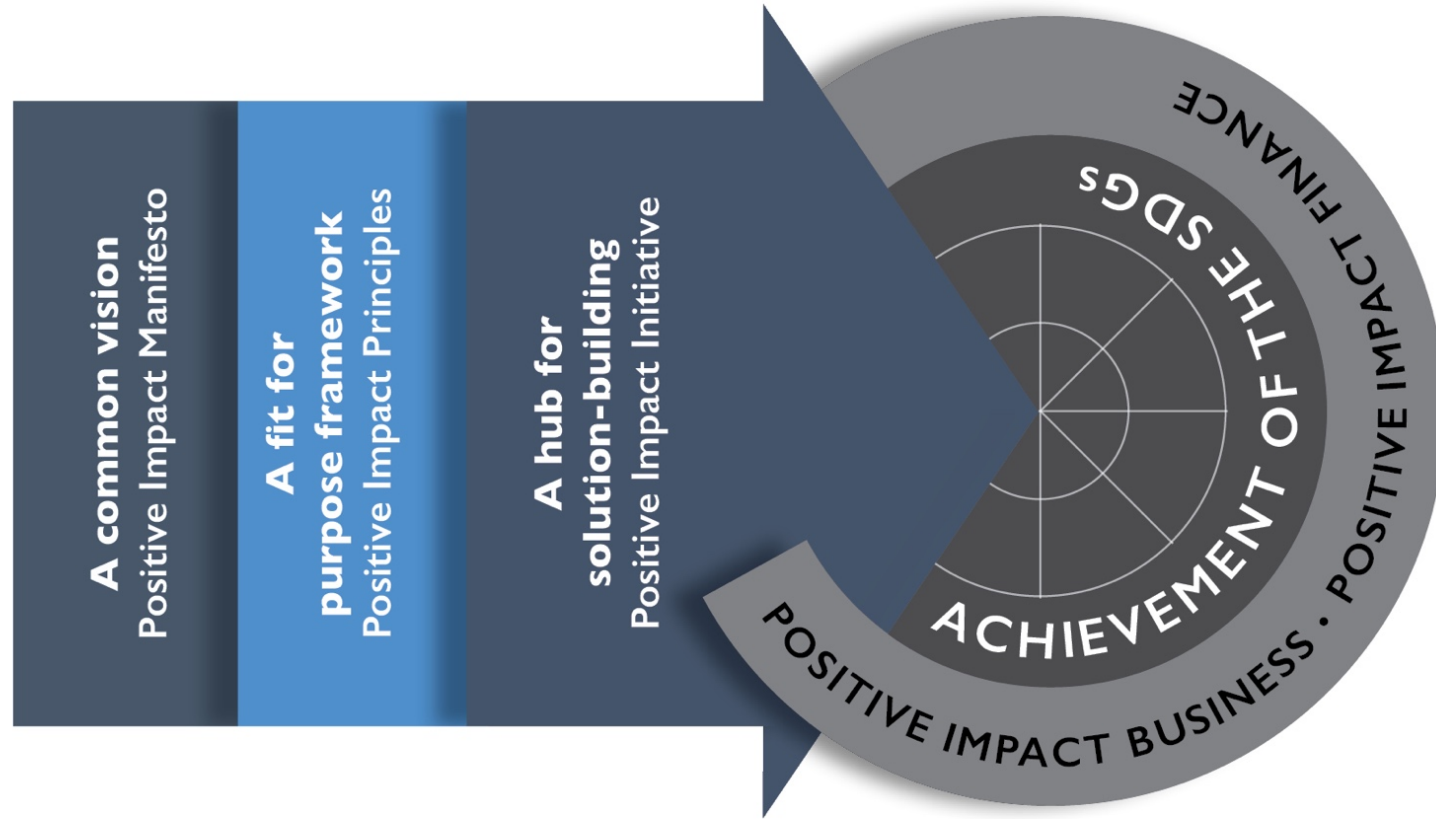
## A COMMON VISION

Sustainability issues should be understood as an integral part of the economy. They are a strategic, not a peripheral concern.

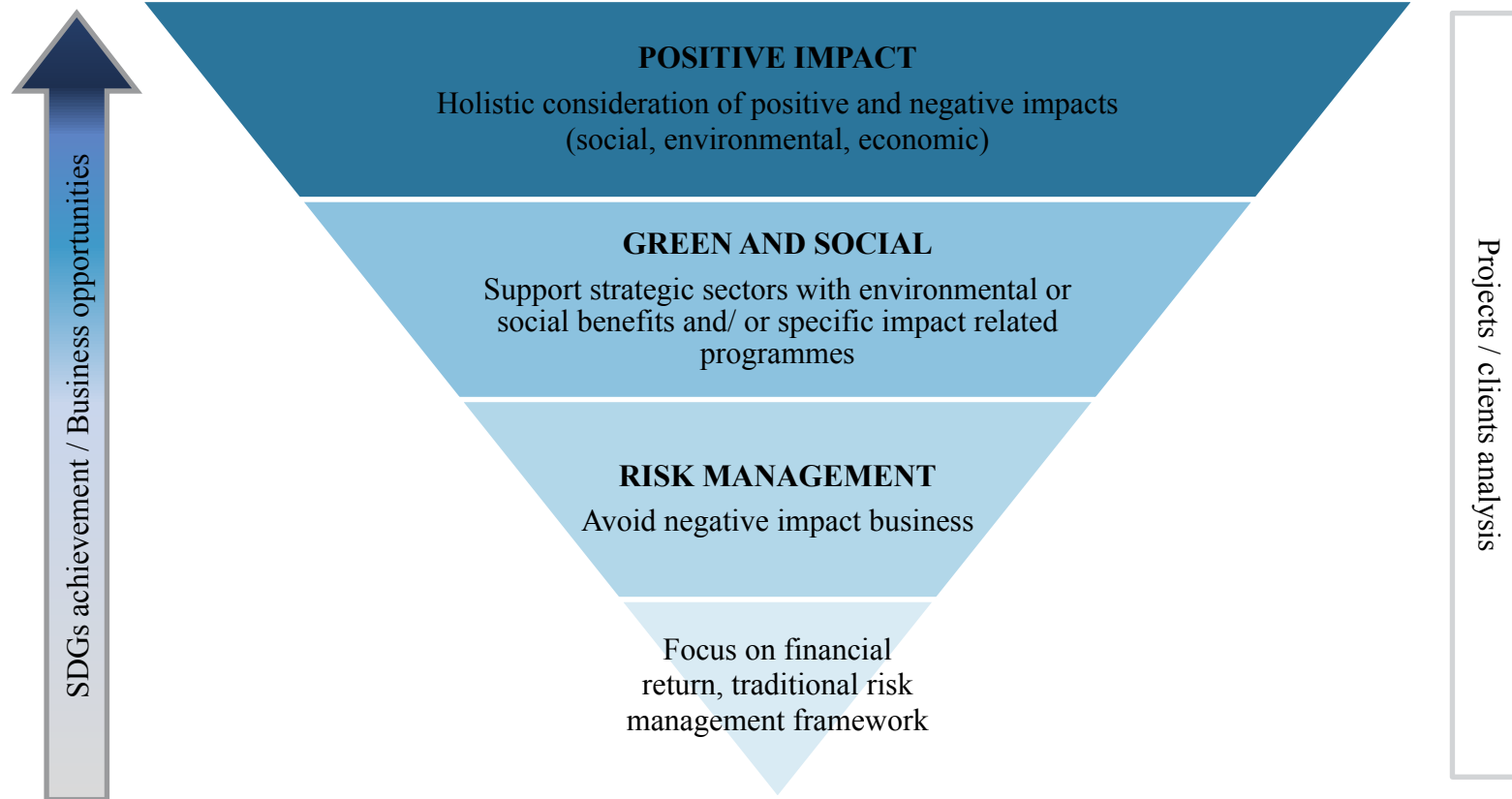
**A new, impact-based business and financing paradigm is needed.**



# THE POSITIVE IMPACT ROADMAP



# A NEW WAY OF LOOKING AT BUSINESS



# THE PRINCIPLES FOR POSITIVE IMPACT FINANCE: A FIT FOR PURPOSE FRAMEWORK



Launch, in Paris France, on January 30<sup>th</sup> 2017



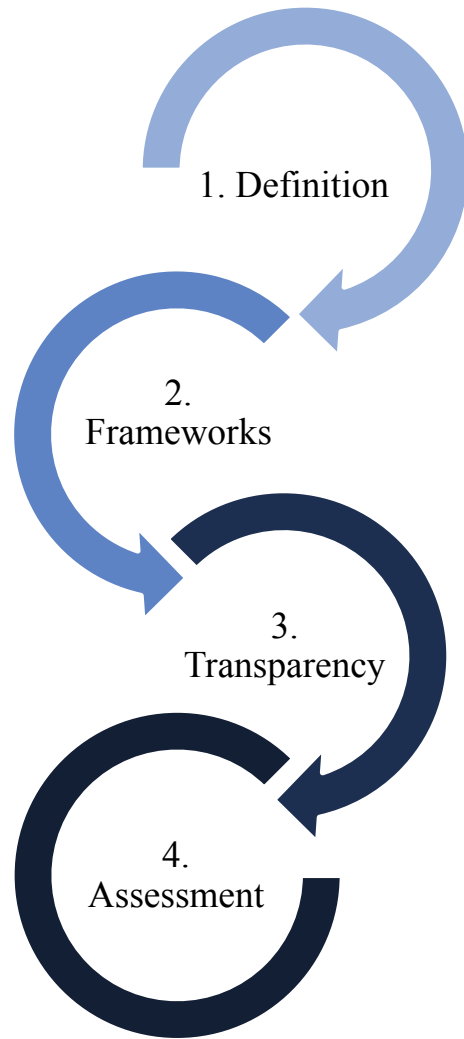


# ABOUT THE PRINCIPLES

- **Define what a ‘positive impact’ financial product or service is**
  - ✓ Basis for issuing Positive Impact products & services (i.e. business oriented)
  - ✓ Applicable across financial products & services the finance sector
- **Developed by PI members & Secretariat, with input from stakeholders**
  - ✓ Auditors
  - ✓ Analysts
  - ✓ Extra-financial raters
  - ✓ Secretariats of existing frameworks



# THE PRINCIPLES



## Positive Impact Finance =

- Positive contribution to one or more of the three pillars of sustainable development
- Potential negative impacts to any of the three pillars duly identified and addressed

- Processes, methodologies and tools to identify and monitor positive impact

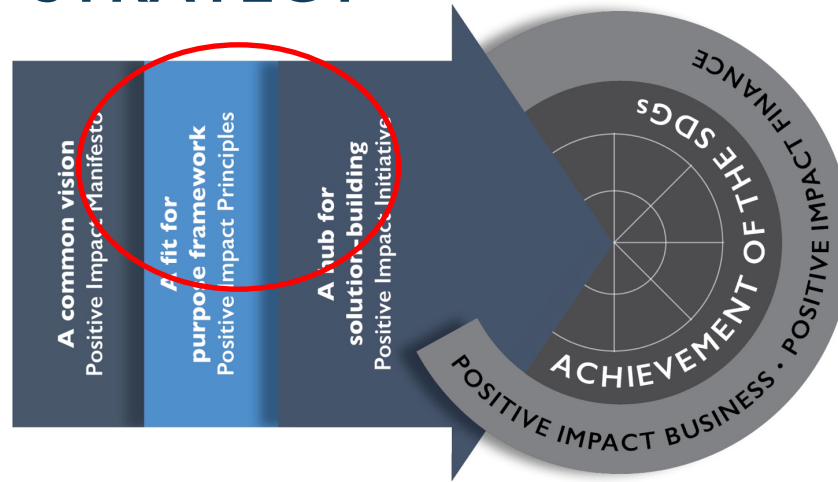
- Activities, projects, programs, and/or entities financed and intended positive impacts
- Processes to determine eligibility, and to monitor and to verify impacts
- Impacts achieved

- Should be based on impacts achieved





# NEXT STEPS: THE POSITIVE IMPACT STRATEGY



## Outreach & engagement

- \*Outreach events and workshops in 10 countries
- \*Consultations

## Collaborative action

- \*Working Groups

## Individual action

- \*Internal adjustments
- \*Delivering PI compliant products and services



# OUTREACH PLAN

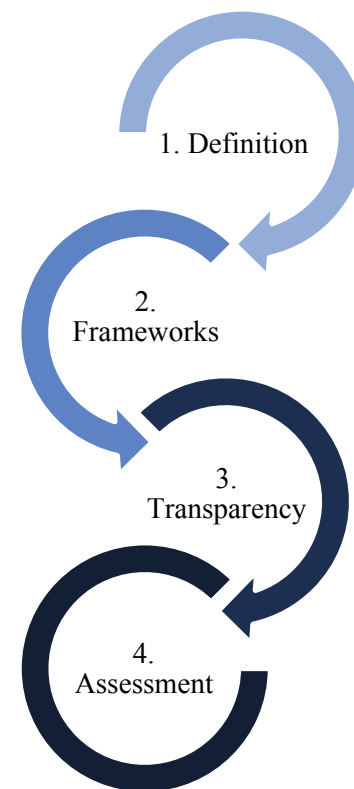
Location	Event	Date
<b>AFRICA</b>		
Morocco	Local Launch & Workshop	6 July
South Africa		29 Nov
Kenya	UNEP FI Regional Roundtable - Local Launch & Workshop Local Launch & Workshop	2018
<b>ASIA</b>		
India	Information session	2018
Japan	UNEP FI Regional Roundtable – PI info session	11-12 Dec
Australia	TBC - Regional Launch & Workshop	TBD
<b>EUROPE</b>		
Switzerland	UNEP FI Regional Roundtable – Plenary session on SDG finance	16 Oct
Netherlands	Local Launch & private meeting	23 Nov
UK	TBC - Local launch	2018
<b>LATIN AMERICA</b>		
Brazil	Information session	6 June
Argentina	UNEP FI Regional Roundtable – PI info session	6 Sept
<b>NORTH AMERICA</b>		
New York	UNEP FI Regional Roundtable – PI info session	September
Canada	Montreal SRI event – PI info session	Q4



# IMPLEMENTING THE PRINCIPLES FOR POSITIVE IMPACT FINANCE : WORKING GROUPS

## 3 Working Groups created to develop guidance notes

Working Group	Main questions to answer
1. Frameworks	How to implement positive impact analysis, building on frameworks currently used by financial institutions? What is a Principles – compliant product/service?
2. Impact categories & Indicators	What impact categories to use to identify potential positive impact in the market and inside portfolios? How to monitor, measure and report on impact?
3. Assessment	How and by who can products and services be verified as Positive Impact? Can they be certified? Can they be rated based on their degree of impact?



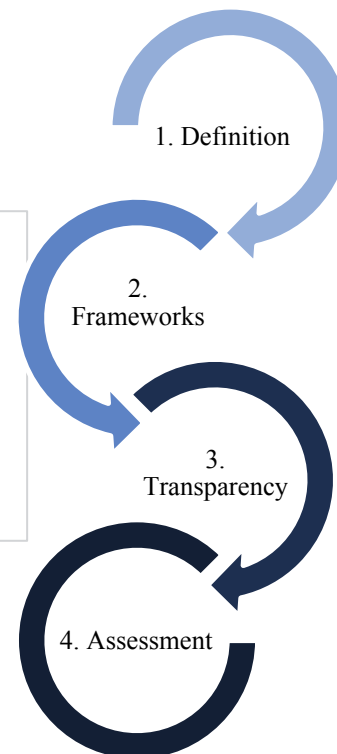
# IMPLEMENTING THE PRINCIPLES FOR POSITIVE IMPACT FINANCE

## GUIDANCE NOTES

- Based on underlying & financial products
- Review of existing standards and frameworks
- Gap analysis vis a vis the positive impact approach
- Guidance and recommendations to implement positive impact (first sets of guidance end of 2017)

## + POSITION PAPER

- Clarification of the financing gap vs the investment need – what needs to be financed and where?
- Distinguishing between the “shift” and “add” agendas:
- The potential for scale through impact-based business models and the role of the finance sector



In partnership  
with WBCSD  
and PWC



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# IN CONCLUSION – THE PI INITIATIVE

- **Practical**

- ✓ 3 pillars of sustainable development encompasses all SDGs and beyond
- ✓ Do not replace current frameworks (e.g. EP, PRI, UNGC, GBP, etc.) but build on them to go further

- **Flexible**

- ✓ No set taxonomy or methodology

- **Credible**

- ✓ Positive & negative integral analysis
- ✓ Transparency requirement on both process and outcomes

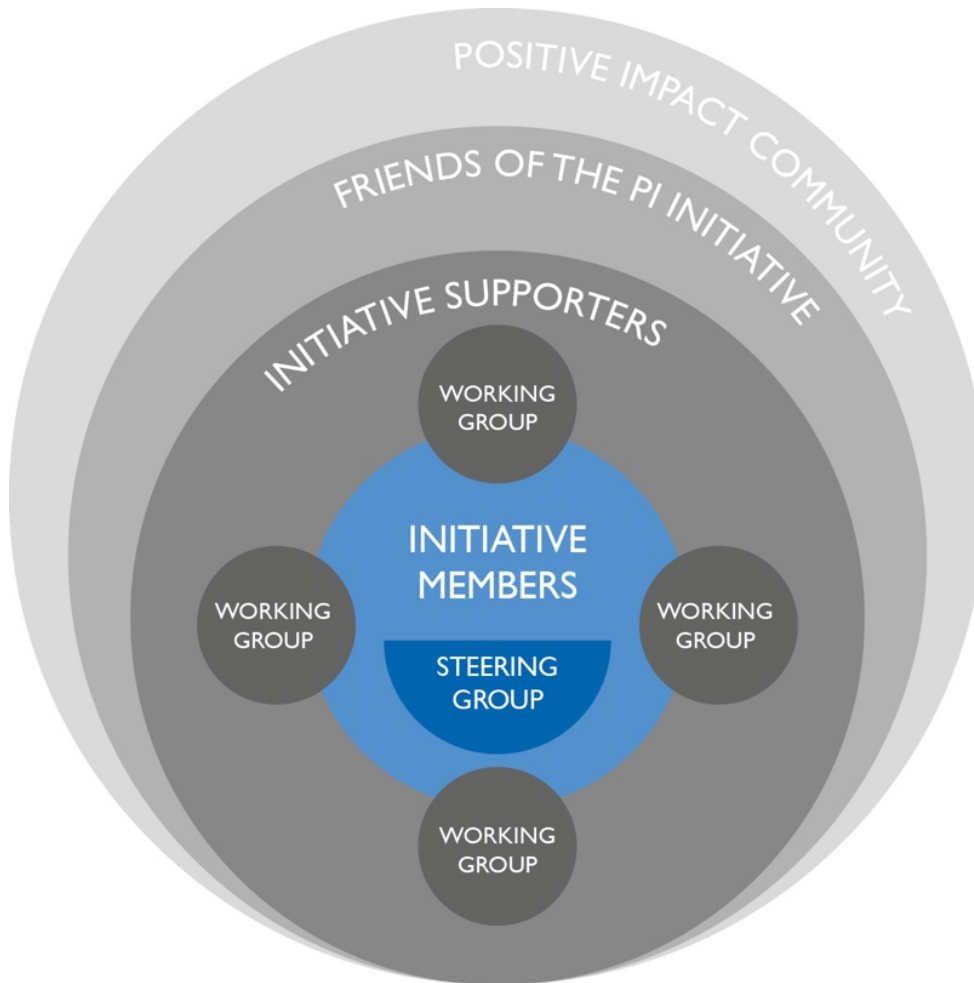
- **Game-changing**

- ✓ Common framework across products: enables originate to distribute dynamics and the basis for a new level of dialogue with stakeholders



# BECOME INVOLVED

## Who can become involved?



- Banks
- Investors
- Auditors
- Service-providers
- Corporates
- Development banks
- Government agencies
- Civil society organisations
- Others



# CONTACTS

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