



THE POSITIVE IMPACT INITIATIVE

A GLOBAL APPROACH TO FINANCING
SUSTAINABLE DEVELOPMENT

VISION

Financing an economy with more positive impacts and less negative impacts requires impact analysis and management to become a mainstream feature. We believe this requires a common yet flexible impact language which will enable all financiers and investors and their stakeholders, to progress and play their part in making sustainable development a reality.

OBJECTIVE

Through the Principles for Positive Impact Finance the goal of the Initiative is to provide all financiers and investors with an implementation tool that will help them and their clients / investees work from where they are to reduce negative impacts and step up their positive impacts in a manner that is both practical and credible.

THE PRINCIPLES FOR POSITIVE IMPACT FINANCE

PRINCIPLE ONE: Definition

Positive Impact Finance is that which serves to finance Positive Impact Business. It is that which serves to deliver a positive contribution to one or more of the three pillars of sustainable development (economic, environmental and social), once any potential negative impacts to any of the pillars have been duly identified and mitigated.

PRINCIPLE TWO: Frameworks

To promote the delivery of Positive Impact Finance, entities (financial or non financial) need adequate processes, methodologies, and tools, to identify and monitor the positive impact of the activities, projects, programmes, and/or entities to be financed or invested in.

PRINCIPLE THREE: Transparency

Entities (financial or non financial) providing Positive Impact Finance should provide transparency and disclosure on the activities, projects, programs, and/or entities financed [and their] intended positive impacts [...]; the processes they have in place to determine [...] monitor and verify impacts; [and] the impacts achieved [...].

PRINCIPLE FOUR: Assessment

The assessment of Positive Impact Finance can be internally processed, i.e. for internal monitoring and evaluation purposes, or undertaken by qualified third parties (e.g. auditing companies, research-providers and rating agencies), for certification and/or rating purposes.

“Previous sector-focused policy-making or a goal-by-goal approach will not achieve the 2030 Agenda for Sustainable Development or its SDGs. Stronger integrated planning, strategic thinking and policy integration will be crucial for Governments to define the best SDG implementation mix at the local level.” – *positioning the UN development system to deliver on the 2030 Agenda – Ensuring a Better Future for All: Report of the Secretary-General, July 2017*

WHAT WE'RE WORKING ON

Impact Frameworks

Model Frameworks & Case Studies, to guide institutions and stakeholders on what positive impact lending and investing processes look like for different instruments and asset classes, building on existing processes and standards.

Impact Definitions & Measurement

Impact categories and definitions to facilitate (positive and negative) impact identification, evaluation and monitoring, building on existing standards and methodologies.

Impact-based Business Models

Positive impact can be a business model driver in and of itself. We're engaging with corporate and public stakeholders to promote the emergence of impact-based solutions and impact-based requests for proposals.

And soon: Impact Rating

Our "Rethinking Impact" Position Paper is designed to point out the role of public and private actors in driving positive impact across the economy.

HOW TO SUPPORT

The Positive Impact initiative is part of the UN Environment Finance Initiative and is driven by a core group of its members. It is also supported by a range of stakeholders outside of the UNEP FI.

Get involved:



Share information with us on the processes, standards and methodologies you currently use to understand positive or negative impacts



Participate in the development of implementation guidance such as Model Frameworks and Case Studies



Help develop guidance on impact measurement tools such as indicators, baselines, or predictive models



Issue products, services and or requests for proposals in compliance with the Principles for Positive Impact Finance



Engage peers and stakeholders on our work

WHAT'S IN IT FOR ME?

- Respond to stakeholder expectations by providing clarity and transparency on impacts and driving positive impact
- Improve current business models – reducing negative impacts and promoting positive impacts
- Develop new business and investment opportunities – uncovering the financial value of positive impacts
- Make sense of and combine a variety of impact standards and guidance
- Learn from peers and stakeholders

MORE INFORMATION

Find out more at www.unepfi.org/positive-impact

Contact us at positiveimpact@unepfi.org

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