



Impact at the
heart of every
decision

2024 National Partners State of Play

July 2024



Part 1 Executive Summary

Main Findings

- Our group of leaders and countries keeps growing and collaborating
- National Partners' (NPs) overall performance has remained stable
 - The number of NPs working on new financial instruments has increased (11)
 - Close to half of NPs have influenced policy change
 - NPs are strengthening their operating structures despite
 - NPs have increased their communication capacity and reach
 - There are interesting examples of NPs measuring their impact

The GSG Impact Partnership



7


New National Partners
in 2023

-  Belgium
-  Greece
-  Malaysia
-  Norway
-  Peru
-  Sri Lanka
-  Thailand

 33

NPs responded to the self-assessment survey representing 38 countries* (+ 6 countries)

AND


2000 +
Members
(2x from 2022)

 \$1.3 TR

Estimated size of the impact market represented by interviewed countries as of 2023*.

*This value has been estimated based on information collected through NPs reports and documents. It can provide only a general perspective of the potentiality of the market but can't be considered methodologically reliable.

Overall Performance: Market Development and Policy are the strongest areas



14

NPs increased their overall performance compared to last year

National Partners' Overall Performance – 2020, 2021, 2022 and 2023*



Comment

- Despite the addition of 7 new NPs, the overall performance remains stable, demonstrating that new National Partners are joining the group with a strong positioning
- Knowledge development and communication activities are instrumental to policy and market development. The decrease in those areas proves that NPs are busier implementing the solutions they advocated for.

Market Development



NPs are actively working on developing an impact fund and are making rapid progress

Vs. 4 NPs in 2022 (+2x)

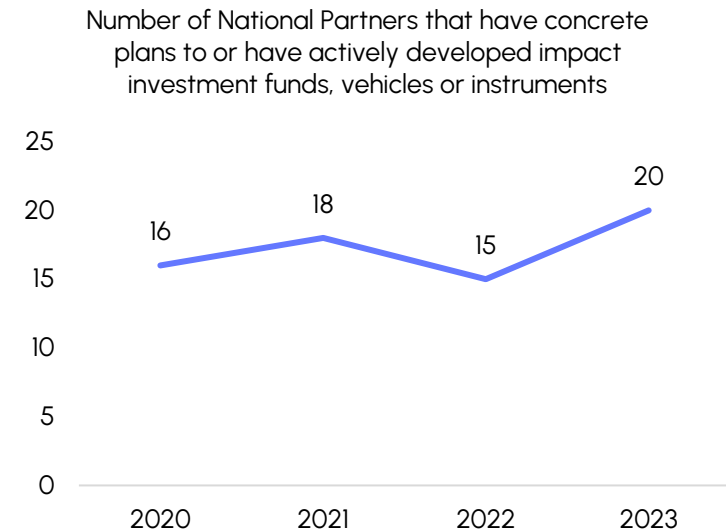


In the United States, the National Partner contributed to establishing a [\\$27 billion-worth Greenhouse Gas Reduction Fund](#), a program passed through the [Inflation Reduction Act](#), with an aim to crowd private capital to finance clean energy solutions in economically distressed communities.



In México, Fondo de Fondos, a member of the National Partner, in partnership with Sonen Capital, raised the LatAm Impact Fund of funds for impact investment worth \$71 million.

Over the years, NPs have increasingly worked on developing new financial solutions



Number of countries that moved from 3 to 5 marks on survey questions related to creation of new impact funds or financial instruments

Policy Development



= 100%

NPs engaged with their government in the last 3 years



In México, the National Partner leveraged institutional events to advocate for greater impact investing-enabling regulations among government candidates. This strategy will play a crucial role in enabling the National Partner to capitalise the recent reforms to Mexico's Securities Market Law, which will unlock new investment opportunities and boost growth for SMEs.



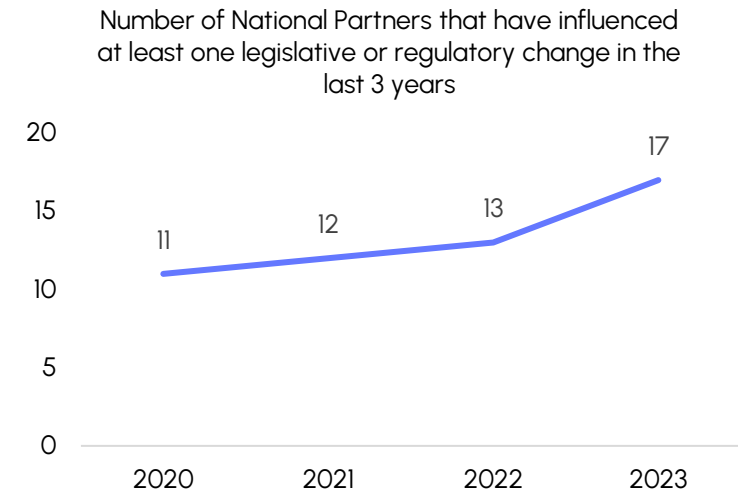
= 50%

have established contact with the government for the purpose of policy development



As a member of the UK Transition Plan Taskforce's Delivery Group, the United Kingdom National Partner provided advisory on how the Taskforce can incorporate social and just transition considerations in its work.

Policy Development area has been growing consistently since 2020



Number of countries that scored from 3 to 5 marks on survey questions on policy development

Knowledge & Communication Development



21

National Partners published their own research in 2023

Vs. 25 National Partners in 2022 (-2)



Ghana, Colombia, Peru and Nigeria National Partners collaborated on a project to generate evidence to build impact investment markets through collaboration with local research institutions.



17

National Partners achieved a satisfactory increase in audience through regular communication via channels

Vs. 15 National Partners in 2022 (+2)



Several National Partners have created a newsletter system to keep members engaged. Most up to date examples include newsletters from Netherlands, Spain, Colombia and Belgium National Partners.

NPs efforts to create knowledge and awareness for the sector guided them toward action

5 of the 7 National Partners that did not produce any knowledge or research in 2023 developed impact funds, new financial instruments and influenced at least one legislative or regulatory change in their country

The GSG Impact Partnership



29

NPs (88%)
received support
from other NPs
(+5 countries
from 2022)



LatAm NPs and Spain NP are working together to direct more impact capital from Europe to LatAm. With this intent, the Spain NP invited representatives of LatAm to attend the Spanish DFI (AECID) event.

= 20

NPs (61%) started a collaboration or joint project with other NPs (21 NPs in 2022)



European NPs launched the second harmonised market sizing survey improving the common methodology and definition of impact

= 24

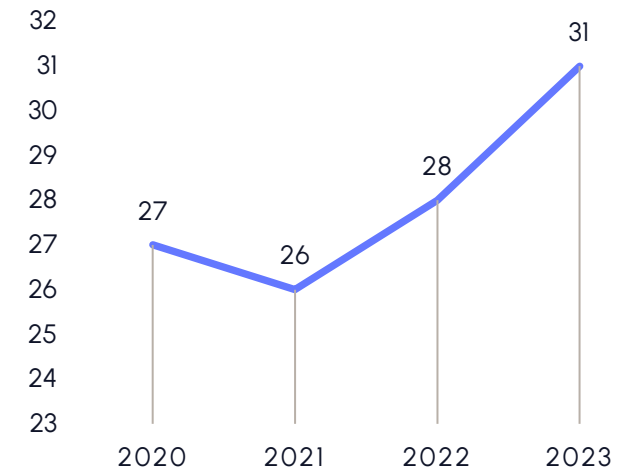
NPs provided support to other NPs or partners in the GSG community



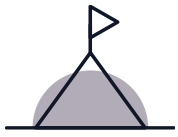
The Türkiye National Partner visited Bangladesh and Malaysia to present best practices from its ecosystem

The collaboration area has been growing consistently since 2020

Number of National Partners that benefitted from collaborations with and support from the GSG impact partnership



Number of countries that have answered yes to at least one question related to collaboration



National Partner Achievements: a selection



In Türkiye, the Ankara Development Agency launched a \$13 million fund of funds to support local impact enterprises.



In Zambia the design works to develop the credit risk guarantee scheme is concluded. The instrument will provide de-risking support to encourage credit for local SMEs.



The Japan Impact-driven Financing Initiative has gathered 78 signatories among the highest level of financial institutions, who have committed to developing a corporate strategy to include impact.



In Spain, a state-owned enterprise COFIDES launched a EUR 400 million Social Impact Fund



The first Gender Bond was launched in the Argentinian Market and listed on the Luxemburg Stock Exchange. With a 200 million peso offering intended to finance and support more than 1,700 female entrepreneurs.



Israel's impact investing market estimated at \$19 billion



The Australia National Partner supported the federal government's Social Enterprise Development initiative to invest AUD 11 million in grants for supporting social enterprises



With Brazil taking over the G20 presidency, the National Partner set up G20 for Impact, an international coalition to articulate recommendations to the Brazilian presidency of the G20.



In South Africa, the Trust on Urban Housing Finance (TUHF) R2.5 billion social bond increased the loan facility by 1 billion at the end of 2022.

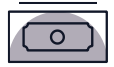


In Thailand, the government disbursed 250,000 USD as part of an outcome fund for early childhood development.



European National Partners in partnership with Impact Europe launched an Impact Manifesto ahead of the EU elections

National Partners' Internal Structure and Capacity



\$281,724

Average budget of National Partners in 2023



26

National Partners had at least 1 full-time paid staff in 2023

= 2.6

Average National Partner Secretariat staff full-time equivalent

Vs. 3.2 in 2022



All **5**

pillars of the ecosystem are represented in



9

National Partner Boards
(vs. 8 National Partners in 2022)



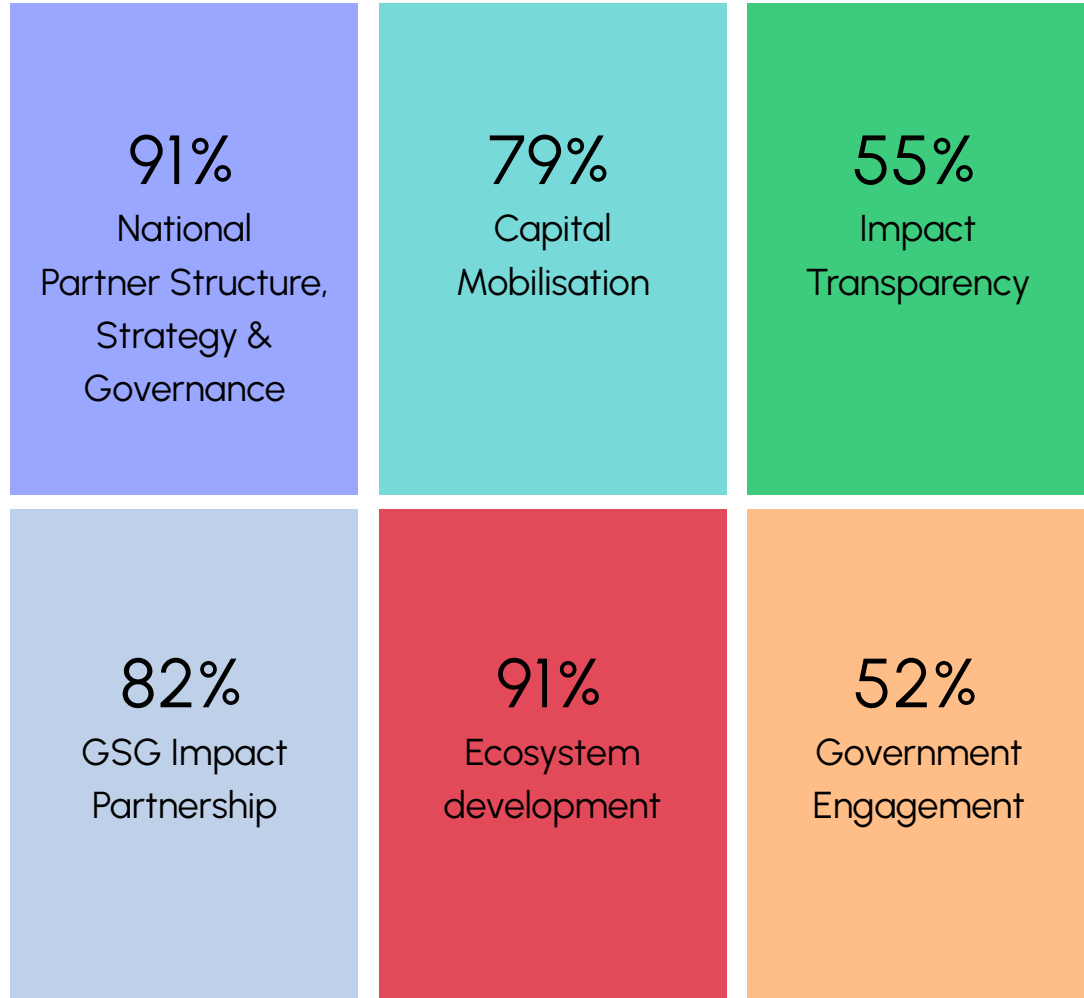
18

National Partner Memberships
(vs. 15 National Partners in 2022)



National Partners and Areas of Priorities

% National Partners and their 2024 Priorities



Theme	National Partners focusing on
Government Engagement	Regulatory and legislative change, engagement with government officials, policy reform and advocacy
Capital Mobilisation	Developing funds and instruments including outcome funds, SDG-, faith- and place-based financing instruments, deal sharing platforms, sustainable finance instruments
Impact Transparency	Developing, amplifying and/or harmonizing methodologies, frameworks and standards for impact measurement and management and market sizing
Ecosystem development	Expanding the ecosystem and the network of impact leaders, working on supporting the five pillars to be more impactful
GSG Impact Partnership	Improving engagement and collaboration with GSG's core team, regional and global National Partners
National Partner Structure, Strategy and Governance	Improving and developing internal secretariat, governance, membership diversity, strategy and plans, communications and events and knowledge production

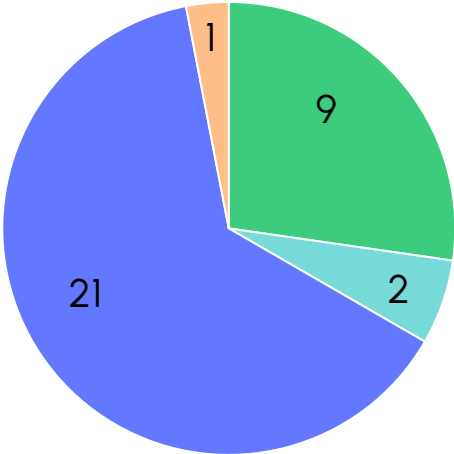


National Partner Structure

2024 National Partner Self-Assessment Survey results



National Partners' Structure and Secretariat in 2023



- Coalition/grouping with access to an associated legal entity (e.g. host organisation)
- Coalition/grouping without access to a legal entity
- Independent legal entity
- Other (for example, host organisation serves just to administer basic day-to-day tasks)



National Partners had at least one dedicated paid staff that worked full-time
Vs. 18 National Partners in 2022



National Partners are independent entities
Vs. 16 National Partners in 2022



National Partners' Board and Membership Diversity in 2023

 18

National Partners had all 5 ecosystem pillars represented in their membership

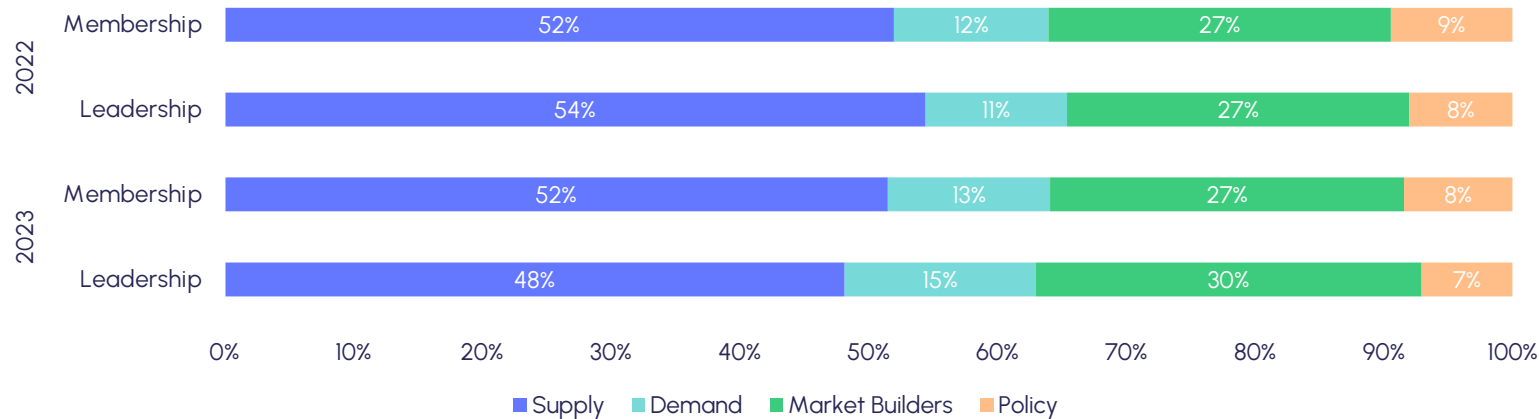
Vs. 16 National Partners in 2022

 9

National Partners had all 5 ecosystem pillars represented in their leadership

Vs. 8 National Partners in 2022

Ecosystem representation in National Partner Leadership and Membership in 2022 and 2023.



However, the demand and policy sides are still under-represented in both National Partner membership and boards, in comparison to the other pillars in the ecosystem – similar to 2022.

National Partners' Leadership and Governance in 2023

 30

National Partners had enough influential board members

Vs. 27 National Partners in 2022

 21

National Partners applied the highest standards of good governance

Vs. 15 National Partners in 2022

 15

National Partner Boards are diverse in at least 3 criteria

Vs. 8 National Partners in 2022

- 4 National Partners are working on renewing their membership model in 2024 – Ghana, Greece, Israel and Malaysia
- 3 National Partners are working on renewing their board model in 2024 – Colombia, Norway and Spain



The Zambia National Partner, has inducted two new board members from social enterprises and law firms, to have a better representation of the demand side of the market and technical expertise on legal jurisdictions and successfully created a powerful board of high-level champions that represent all [five pillars of the ecosystem](#).



The French National Partner changed its governance structure. It is now run by three networks: FAIR, the federator of social impact finance players, FIR, the Forum for Responsible Investment and France Invest, a professional organisation that brings together players in private equity. As part of this merger, it was decided that NP France would be subject to a rotating presidency each year between the three organisations, while FAIR manages the National Partner secretariat. This has enabled the anchor organisations to stay engaged with the National Partner's mission and allow balance in the ecosystem.

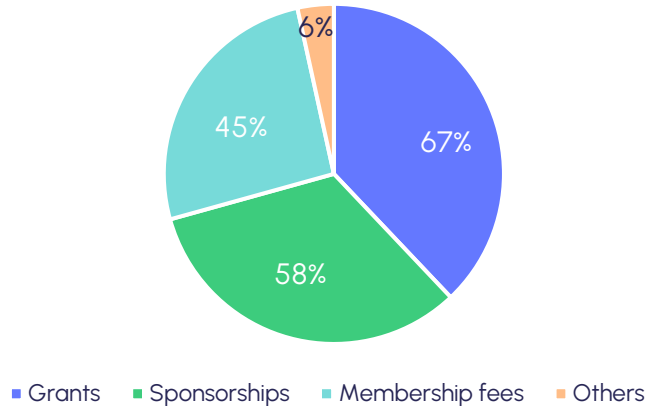


The South Korea National Partner has created a spin-off - Korean Impact Alliance - to support G7 Impact Taskforce's work. The spin-off has contributed to standardising and localising ESG disclosures and promoting impact transparency and ESG policy development in the country

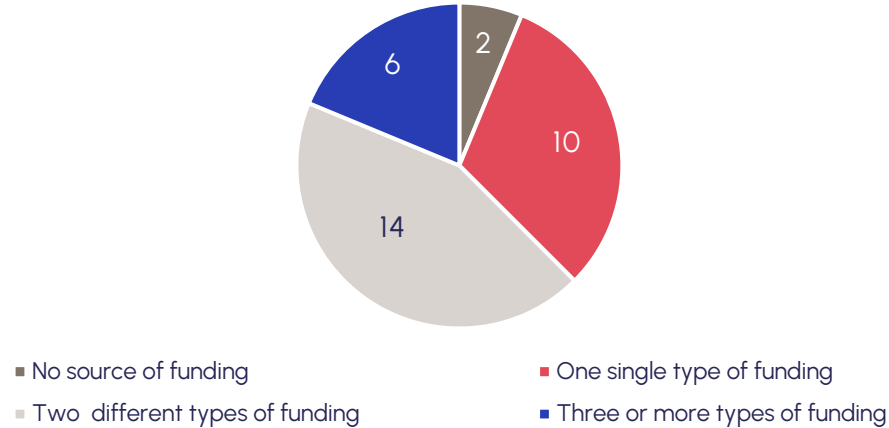
National Partner Financial Sustainability

Grants remain the highest source of income for National Partners

Income sources for National Partners



Number of funding sources for National Partners

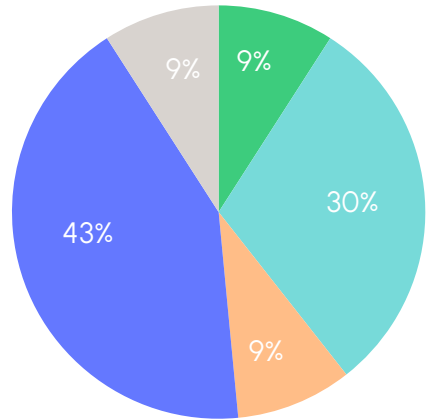


- More National Partners are accessing funding through sponsorships (+4 National Partners)
- Grants are the most frequent source of funding, with 67% of the National Partners accessing funding through grants, followed by sponsorships (58%) and membership fees (45%).
- 61% of the National Partners received in-kind support (+6% from 2022)



The Peru, Ghana, Nigeria and Colombia National Partners were supported by a grant from IDRC to partner with local research expertise to bolster the evidence-base for impact investment. GSG and On Think Tanks supported as knowledge partners on this project, working with the National Partners to optimise their research partnerships and capture key learnings about the collaborative process.

Impact Reporting



- The National Partner produced an impact report this year which includes data on both activities and impact on the ecosystem
- The National Partner produced an activity report this year, and is planning on measuring its impact on the ecosystem
- The National Partner produced an activity report this year, but is not planning on measuring its impact on the ecosystem
- The National Partner has a plan underway for an activity or impact report
- The National Partner has no plans to produce an activity or impact report



National Partners revisited their theory of change, assigned KPIs and implemented impact measurement and management methodologies to measure their own impact

Vs. 3 National Partners in 2022

Key Challenges

National Partners highlighted shortage of capacity as a major challenge in conducting impact assessment and reporting of their activities



National Partner Activities & Impact



Development of Market Players and Instruments

Capital mobilisation was the strongest performance area for the National Partners in 2023



11

National Partners are actively working on developing an impact fund

Vs. 4 National Partners in 2022 (+ 2x)



10

National Partners are actively developing new financial instruments.

Vs. 7 National Partners in 2022 (+ 4%)

Challenges

= 13

National Partners have no plans to catalyze impact funds

= 8

National Partners have no plans to help build new instruments

Key factors that contributed to this were:

- Minimal support from public sector
- New National Partners lacked capacity in their early stages
- Already mature market, not needing National Partner's involvement

National Partners Supporting the Demand Side

Although National Partners' support to develop the demand side support has remained stable, progress remains slow

= 17

National Partners continue to support the demand side



9

National Partners are in early stages of developing their demand side

Vs. 3 National Partners in 2022 (+3x)

11

National Partners supported the demand side through capacity building and technical assistance programs for entrepreneurs



The Australia National Partner [co-convoked an investor roundtable for social impact investment](#), with different stakeholders from the private and non-government sectors such as foundations, which led to the creation of [two working groups](#), one of which was, a social impact investment working group marshalling corporates, investors and industry experts to work with the government on capacity building and financing mechanisms.



In Italy, the National Partner liaised with corporates and institutions such as the Italian Institute for Impact Reporting (IIIR) through [webinar initiatives](#) on impact accounting. Through these webinars, the National Partner aims to promote the use of robust impact measurement methodologies such as impact-weighted accounting in corporate impact reporting, making impact reporting mainstream for businesses.



The South Africa National Partner's working group on demand collaborated with the UNDP to develop an [accelerator program](#) focused on tech innovation in the food-energy-water sectors given South Africa's challenges in all three sectors.



In Bangladesh, the National Partner supported in creating the [first-ever Bangladesh Angel Network](#) (BAN) focusing on equity, venture capital and attracting impact investment, with support from the Netherlands government and other private investors.

National Partners' Policy Development Efforts

Performance of the National Partners has improved in 2023.



National Partners influenced regulatory or legislative change in the last 3 years

Vs. 8 National Partners in 2022 (+2x)



National Partners have influenced at least one legislative or regulatory change in the last 3 years

Vs. 8 National Partners in 2022 (+2x)



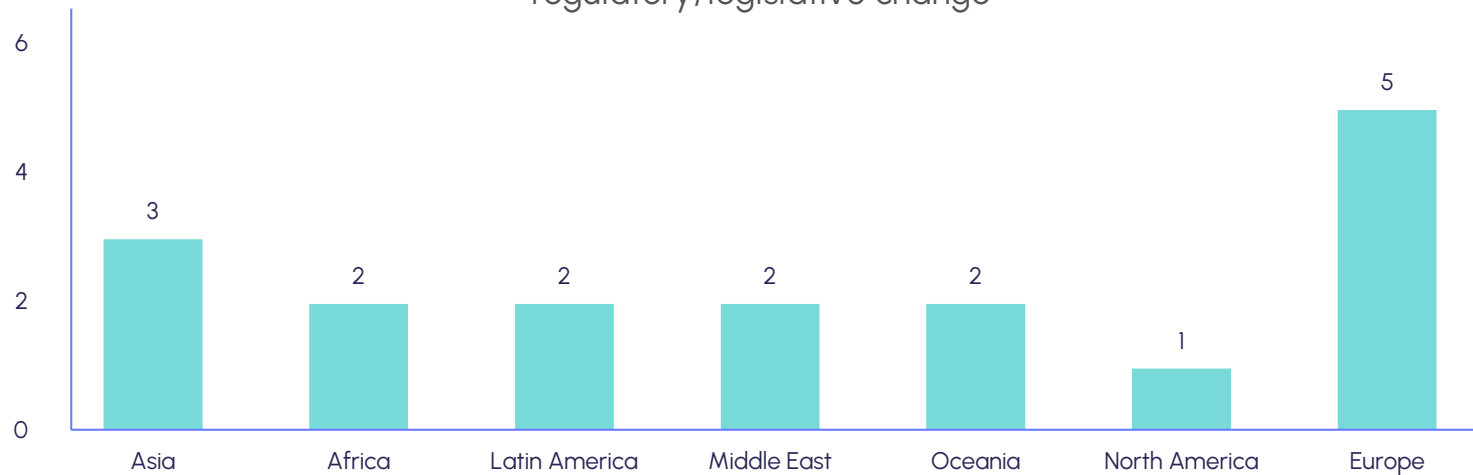
National Partners engaged with the government in the last 3 years



National Partners have established contact with the government for the purpose of policy development

Europe is the region where most National Partners have influenced at least one regulatory/ legislative change in 2023

Regions where National Partners brought about at least one regulatory/legislative change



Impact Transparency

With impact transparency becoming a hot topic for many governments, GSG's Policy Team has been working with National Partners to leverage the positive political environment for sustainability disclosures and work with regulatory bodies to advance this agenda.



A coalition of European National Partners, in partnership with Impact Europe and GSG, worked together on a [joint response](#) to the Sustainable Finance Disclosure Regulations (SFDR) public consultation highlighting how the EU SFDR can propel Europe's impact investing.



In South Korea, the National Partner acted as a policy advisory committee member, along with representatives from businesses, investors, academia, experts and relevant institutions, for the [Ministry of Finance's ESG Finance Taskforce](#). The National Partner and its stakeholders also submitted an [Act for ESG Basic Law](#), giving the government a legal basis for requiring budget and resources to promote ESG and impact investment and practices in corporate ESG operations.



In Türkiye, the National Partner contributed towards the Turkish Public Oversight, Accounting and Auditing Authority announcing during COP28 that Türkiye [will adopt ISSB standards by law in 2024](#), making it the first country in G20 to do so.



By leveraging our network in +50 countries, the GSG, together with the [Colombia](#), [México](#), [Ghana](#), [Nigeria](#), [Thailand](#) and [Cambodia](#) National Partners as well as with [Vietnam](#) and [Indonesia](#) Task Forces developed a project with a two-fold objective: first, to build capacity in sustainability reporting and wider impact transparency topics in key EMDEs and SMEs; secondly, to gather and systematise insights from key stakeholders in EMDEs to inform international efforts "from the ground up", enhancing proportionality and widespread adoption of standards. As such, National Partners and GSG co-organised a series of workshops and stakeholder engagement activities that convened key local actors from the public and private sectors. Find [here](#) some materials used for the workshops. If interested in replicating a similar initiative in your country, contact the [Policy Team](#) for further resources.

Knowledge Development



National Partners published their own research in 2023

Vs. 25 National Partners in 2022 (-2)

Existing National Partners – 21

New National Partners - 2



National Partners contributed to research developed by partners

Vs. 17 National Partners in 2022 (+4)

= 76%

NPs have done both



Communication Development

Total score for communication development overall improved in 2023



25
National Partners organised at least one successful event in the last two years and will repeat it annually

Vs. 22 National Partners in 2022 (+3)

= **24**

National Partners that had developed and launched a communication plan in 2022, achieved a satisfactory increase in audience in 2023

= **15**

National Partners have launched a communications campaign in 2023 or are launching one in 2024

Global Impact and the GSG Community

Overall impact of the National Partners has been stable, with noted progress in collaboration with international ecosystem players

= 20

National Partners started a collaboration or joint project with other National Partners



29

National Partners received support from other National Partners or partners in the GSG community

Vs. 24 National Partners in 2022 (+5)

= 24

National Partners provided support to other National Partners or partners in the GSG community

= 15

National Partners are actively leading ecosystem players to benefit other countries through international cooperation



24

National Partners actively participate in GSG knowledge sharing activities and National Partner development/support

Vs. 21 National Partners in 2022 (+3)



14

National Partners are in the early stages of cross-border collaboration

Vs. 6 National Partners in 2022 (+8)



Market Evolution & Trends



Market Sizing Efforts

National Partners have recognized that collecting data on the amount of capital allocated in their country and mapping the ecosystem are among the first steps to assess their own impact on the ecosystem.



National Partners engaged in market sizing activities such as rolling out a methodology for market sizing, conducting annual/bi-annual studies or harmonizing their methodology with that of other National Partners

Vs. 16 National Partners in 2022 (+2%)



National Partners conducted landscaping studies to identify the structure of their market

Vs. 8 National Partners in 2022 (+2)

= 12

National Partners conduct market sizing exercises annually or bi-annually and publish iterations of the existing reports



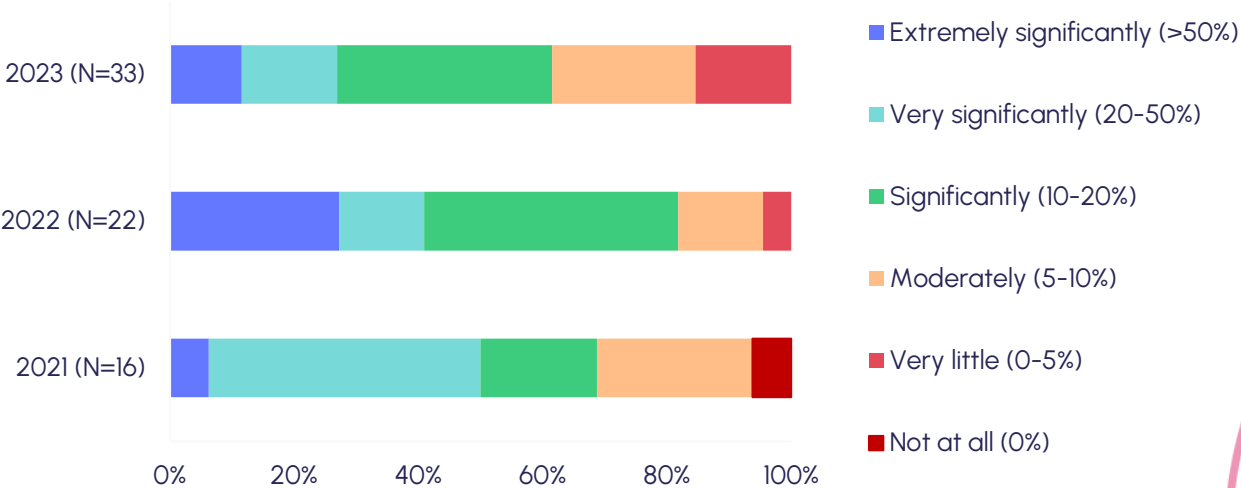
Market Growth - AUM

26 National Partners have expressed significant to extremely significant growth in their impact investment AUM.

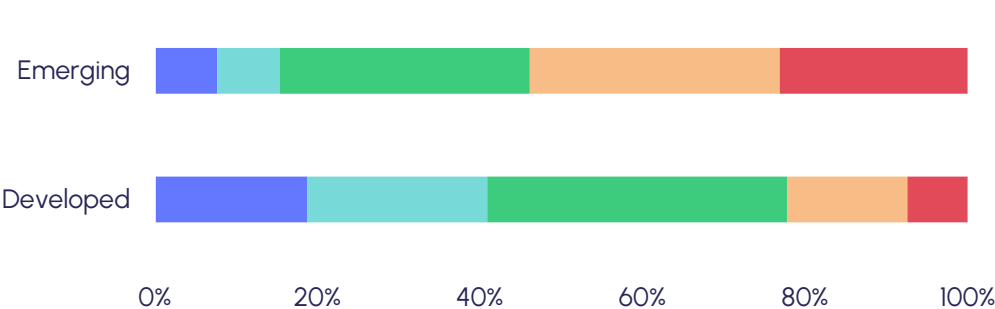
The growth rate in emerging markets has gone up by 10% between 2022 and 2023.

However, it is important to note that these estimates are often based on National Partners' rough calculations and not backed by comprehensive data collection as very few markets are sized on an annual basis.

Cross-year comparison



Emerging vs. Developed



Availability of Market Data

- National Partners collected data to size their country's impact investing market, in addition to market sizing efforts by other organisations (E.g., GIIN, ANDE, Bloomberg etc.) using different methodologies, which makes it difficult to track the growth of the global ecosystem on a country-by-country basis, or compare across countries.
- The following slides aim to map market estimates across the different National Partners. However, it is important to note that:
 - This mapping may not be exhaustive: it gathers sources provided by National Partners through the annual self-assessment survey, as well as sources made available through National Partners' websites.
 - Numbers are not comparable across countries: this is because National Partners and their partners have used different methodologies. For instance, there are significant differences in the scope of studies. An overview of the different methodologies used is available [here](#).
 - Amounts refer to assets under management (AUM), unless otherwise stated
 - Years refer to the year covered by the data, not years of publication
 - Estimates have been converted from local currency to USD using the exchange rate from January 1st of that year.

Market Data

AUM in USD billion	2015	2016	2017	2018	2019	2020	2021	2022	2023
Argentina									
Australia	1.20	2.50	2.84	10.80	13.90	20.40	23.00	40.10	
Bangladesh									
Belgium									17.33
Brazil	0.19				0.79	2.86	3.80		
Central America									
Chile							0.40 ¹		
Colombia							0.47		
France						4.80 ¹	6.50		16.00 ¹
Germany	0.08					3.20		44.00 ²	
Ghana									
Greece									
India								29.00 ¹	
Israel									0.77 ¹
Italy					0.24				9.60
Japan		0.34	0.72	3.00	2.90	3.20	11.00		40.00
Malaysia									
Mexico					0.11				
Netherlands						180.00			
New Zealand	0.00	0.07	0.07	0.07	3.20	1.80	5.80	7.47	4.42 ³
Norway									7.30
Nigeria									
Portugal									250.00
Peru									
South Africa								613.00	
South Korea							0.68		0.23 ^{1,4}
Spain						2.85	2.58	3.10	
Sri Lanka									
Sweden						4.50			
Thailand									
Türkiye								0.03	
United Kingdom						80.00		74.6	
United States						-			
Zambia									7.00

1. Source unavailable
2. Refers to self-declared impact assets. One third of these assets can be classified as impact-aligned (EUR 3.12 billion) or impact-generating investments (EUR 9.23 billion)
3. This market estimate primarily consists of green bonds
4. This estimate does not include debt guarantees, but includes both equity and debt financing

Market Data (Growth rates based on AUM data)

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Argentina									
Australia		108%	14%	280%	29%	47%	13%	74%	
Bangladesh									
Belgium									
Brazil						264%	33%		
Central America									
Chile									
Colombia									
France							35%		
Germany									
Ghana									
Greece									
India									
Israel									
Italy									
Japan			113%	318%	-3%	10%	244%		
Malaysia									
Mexico									
Netherlands									
New Zealand			1%	3%	4407%	-44%	222%	29%	-41%
Nigeria									
Norway									
Peru									
Portugal									
South Africa									
South Korea									
Spain							-9%	20%	
Sri Lanka									
Sweden									
Thailand									
Türkiye									
United Kingdom									
United States									
Zambia									

National Partner Priorities & feedback



National Partners' SDG Priorities

National Partners continue to focus on SDGs 13, 8 and 10 priorities from the previous years



National Partner's focus on SDG 17 demonstrates a commitment for collaboration to achieve the SDGs



National Partner Satisfaction

Has decreased slightly in 2021

Overall satisfaction

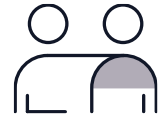
90%

average score



-4%

Relationship with GSG



86%

average score



-3%

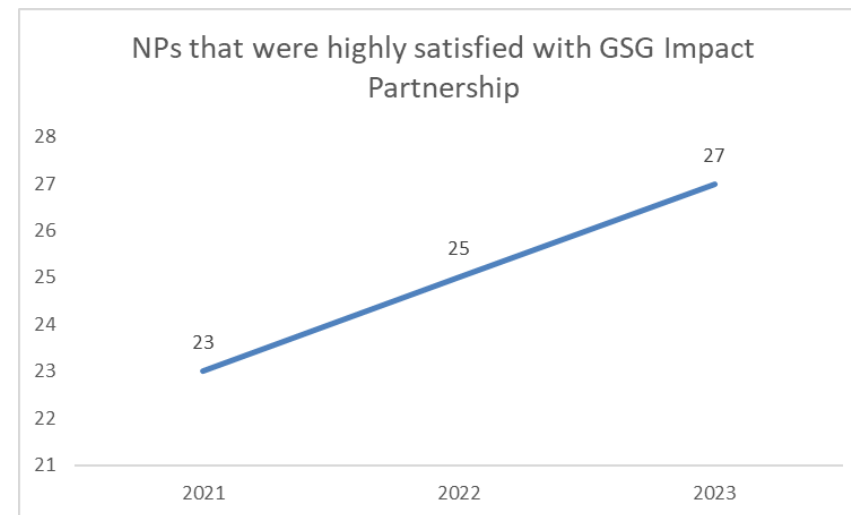
Value of information received

= 83%

average score

The Number of NPs satisfied with the relationship with the GSG has improved over the years, however the average satisfaction has decreased this year for the first time.

- The increase in the number of NPs had effects on the average.
- The outliers are NPs with new staff who still hadn't a chance to engage with the GSG
- In 2023 the GSG team was understaffed (e.g. mat leave) and internal resources have been redirected on ITF



Number of countries that have answered 8, 9 or 10 to any of the three questions under Satisfaction

National Partner Satisfaction

The absolute number of NPs satisfied with the GSG is stable

= 26

National Partners are highly likely to recommend GSG to new National Partners

= 20

National Partners had highly effective relationship with the GSG

= 22

National Partners said they received valuable information from GSG

Areas of Support Requested from GSG



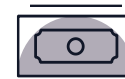
Learning materials on global trends and market development



Support to organize and advance regional alliances for impact investment



Clarity on strategic alignment between GSG and National Partners



Financial Sustainability models and best practices

Common priorities and next actions defined at 2024 Leadership meeting

- GSG Impact Partnership gathered in Costa Rica for the annual Leadership Meeting 2024 to co-create our priorities and next actions
- To learn more, read the GSG Leadership Meeting 2024 proceedings [here](#).



Impact at the
heart of every
decision

Contact Us

gsgimpact.org

 @GSGImpact

 linkedin.com/company/gsgimpinv/

