

GSG State of Play 2023

2022 NAB Self-Assessment Survey results

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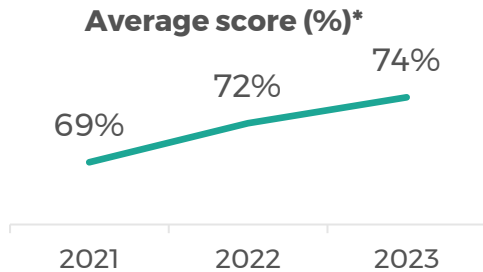
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Executive Summary

- NABs' Self-Assessed overall performance continues to improve
- NAB internal structure & capacity
- NAB activities and impact
- NAB achievements: a selection
- With GSG support, our community continues to collaborate
- Insights from the NABs: Market trends & evolution

NABs' Self-Assessed overall performance continues to improve

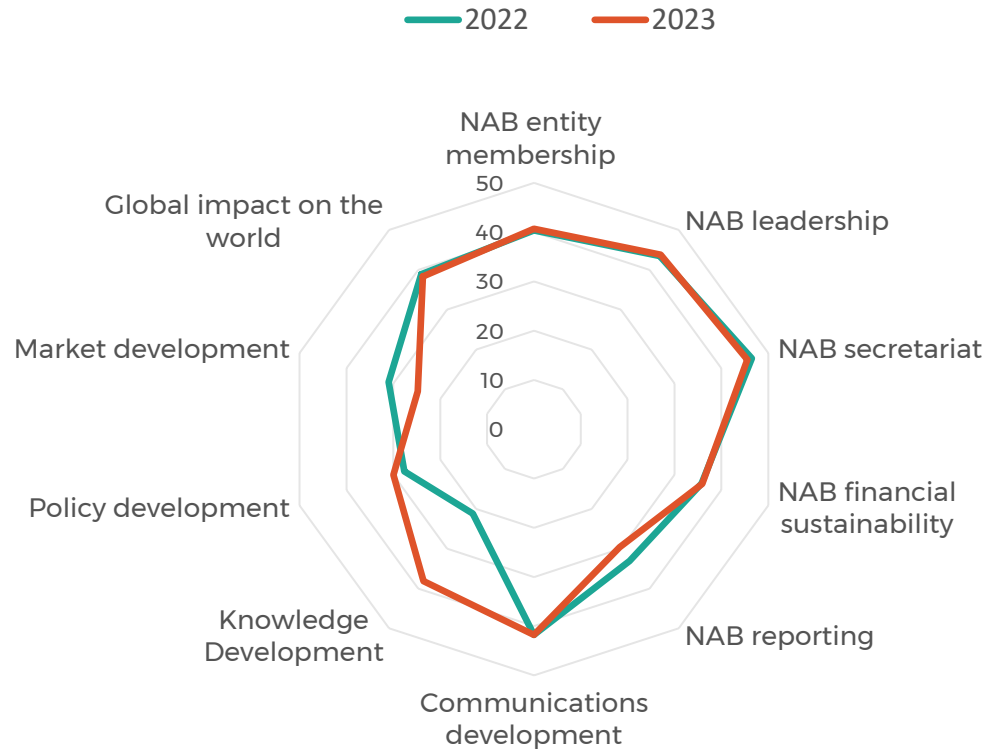
The average overall score has been increasing steadily



16

NABs have increased their overall performance

NAB performance as compared to 2022



*note: Following a revision of the methodology, scores from previous years have been retrospectively recalculated to allow for cross year comparison, which explains the slight discrepancy with previous reports. Results exclude NABs inactive in 2022 (Finland and Canada), as well as the EU RAB.

NABs' internal structure & capacity is growing



\$342,367

Average budget

The average NAB budget increased by

43%



3.1

Average NAB secretariat staff full-time equivalent (+0.7)



of NABs have at least one full-time, paid staff (+9%)



All
5

pillars of the ecosystem are represented in

= 30%

of NAB's Boards



56%

of NAB's Membership (+6%)

NABs are delivering and achieving more



About to

 **1/4**

of NABs have supported the development of new instruments and are making rapid progress (+18%)

Over

 **60%**

of NABs are supporting the demand side (+5%)



 **2x**

The number of NABs that influenced more than 2 policies doubled from 12 to 26%



 **93%**

of NABs have published their own research (+24%)



More than

= 1/2

achieved a satisfactory increase in audience



 **63%**

of NABs are working on getting ecosystems players to collaborate internationally (+5%)

NAB achievements: a selection



Türkiye's first **Impact Fund** was established, an early-stage, **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 of 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 other NABs 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**

With GSG support, our community continues to collaborate



= **96%**

of NABs provided **support** to other NABs



↑ **78%**

of NABs started a **collaboration** or joint project (+13%)



Overall satisfaction with GSG

↑ **94%**

Average score (+4%)

Insights from the NABs: Market trends & evolution



27%

of NAB markets grew extremely significantly (>50%) over the past year based on NAB estimates*



In most countries (78%), there is a **growing awareness of impact investing but with a degree of confusion.**



59%

of governments have implemented at least one impact policy (+5%)



70%

of governments actively supply impact capital (+20%)



41%

of governments facilitate the impact sector (+10%)

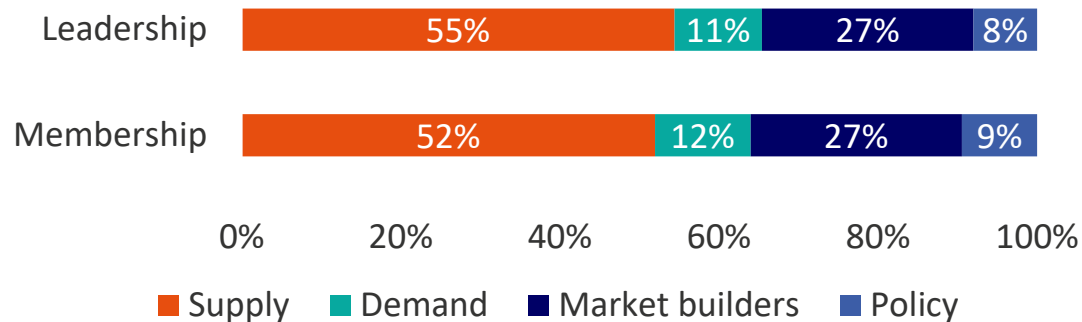
*among NABs that were able to provide an estimate (N=23)

NAB internal structure and capacity

- Board & NAB membership diversity
- NAB leadership, governance & strategy
- NAB financial sustainability
- NAB structure & secretariat
- NAB reporting

Board & NAB membership diversity

- ▲ More than half (56%) of NABs' have all 5 pillars represented in their membership, and 30% in their Board.
- ▲ However, this representation is still overall imbalanced with the **demand and policy pillars being underrepresented.**



- ▲ **Board diversity has increased:** 44% of NAB Boards are diverse on at least 3 diversity criteria and works towards the highest standards of diversity and inclusion. This is significant progress as compared to last year (35%)



In **Germany**, through continued ecosystem engagement, the NAB has grown its membership to more than 100 members from all pillars of the ecosystem.

NAB leadership & governance



100% of NABs assessed themselves as having enough influential people on their Board.

8

NABs have worked on **renewing their Board**

4

NABs have **new CEOs**: Australia, Colombia, South Africa and the United Kingdom.



56% Say they consistently apply the highest standards of good governance

2

NABs have **reviewed their governance model**: Germany and Nigeria.

4

NABs are **inactive** and working on reforming: Canada, Finland, Argentina and Brazil.



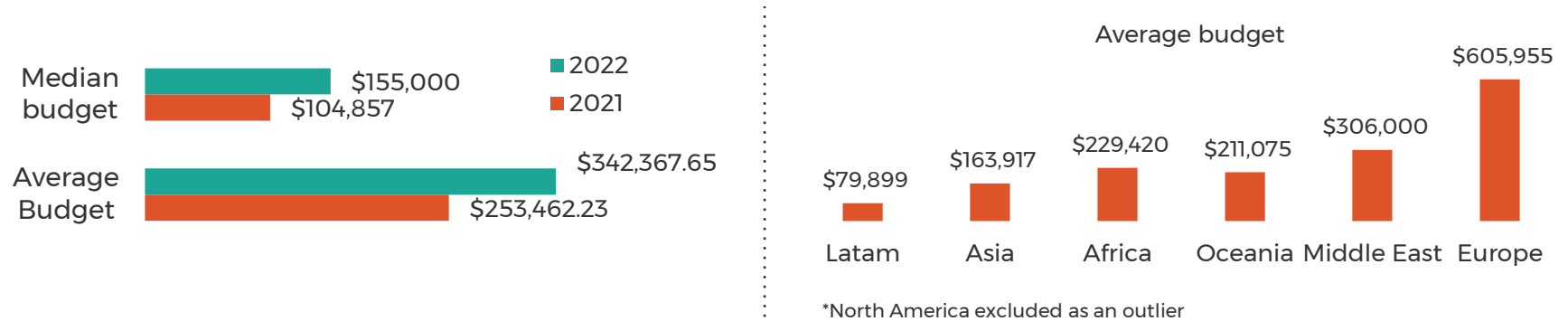
To increase its positioning and influence, the NAB in **Australia** worked on renewing its Board, leveraging the fact that they were involved in the government-mandated Australian Social Impact Investing Taskforce.



In **South Africa**, the NAB appointed four new Board members after going through a process of issuing a public call for nominations. They received a lot of interest, and new members were chosen for their ability to contribute to the strategy.

NAB financial sustainability

The average and median budgets increased by 43%, but Latin America is lagging behind



More NABs are accessing grant funding (+16%).

It remains the most frequent source of funding used by 74% of NABs, followed by sponsorships (56%) and membership fees (52%).

56%
of NABs have access to
in-kind support.

Financial sustainability remains a key struggle for NABs

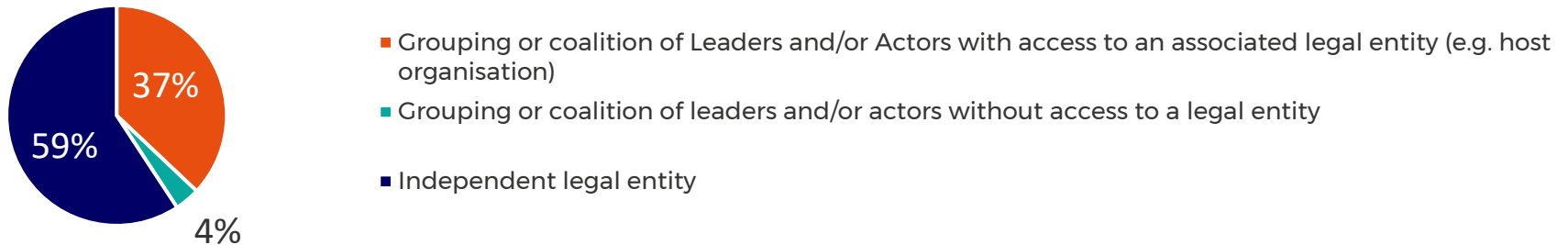
40% do not have any financial commitments beyond the next 12 months

30% depend on only one type of funding.

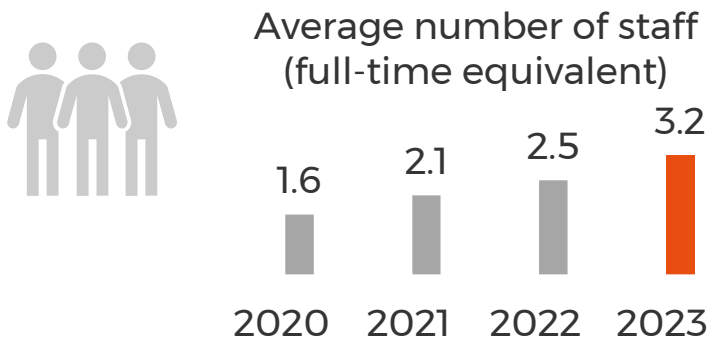
NAB structure & secretariat

Close to 60% of NABs have set up an independent legal entity:

Type of NAB structure



NABs have grown their secretariats:



2/3

of NABs have at least one full-time, paid staff.

NAB reporting

Measuring NABs' impact is essential to demonstrate our impact as a global movement alongside, building the NABs' credibility and provide accountability.

NABs are increasingly collecting data on the amount of capital mobilised towards impact in their country:



Close to **60%**
of NABs report having engaged in **market sizing**

2/3

of NABs have an **estimate of the size of the impact investing market** in their country – this is twice as many as compared to 2019.



The **Colombia** NAB published its first market sizing. The report was launched at a huge event in Bogota, and downloaded more than 1000 times in the following 6 months.

But we need to improve our ability to demonstrate NABs' impact on their ecosystem:

Only
56%
of NABs produced an **activity report** this year.

NABs **only anecdotally measure their impact** on the ecosystem – often with relation to a specific grant/projects, and rarely have internal target criteria beyond the activity/output level.



In **Portugal**, the NAB published its impact report, covering the past 8 years, including achievements to date and its approach to impact measurement, which is based on the Impact Management Platform.

NAB strategy

NABs are successfully renewing their national strategy & developing action plans to implement it.

3 NABs have reviewed their **strategy**:
Australia, Bangladesh,
Portugal

3 NABs have developed **action plans**: Israel,
the Netherlands,
Sweden

Some are planning or in the process of reviewing their strategy: Germany, Ghana, Mexico, France...



In **Bangladesh**, the NAB developed a National Action Plan based on research and feedback from stakeholders across the Bangladesh impact investing ecosystem.



Led by the **Central America** NAB, Latin American NABs have been working on aligning their strategies.

But only a few NABs have started to set ambitious, measurable targets.



In the **Netherlands**, the NAB aims to double the size of the Dutch impact investing sector by 2025, to **mobilise 10% of total AUM towards impact** (40% of which in emerging economies).



In **Ghana**, the NAB aims to support impact funds & ventures to **raise USD \$1 billion for West Africa**

NAB Activities & Impact

- Market Development
- Policy Development
- Knowledge & Research Development
- Communications Development
- Global impact on the world

Market Development

NABs are making progress towards mobilising capital towards impact:

1/4

of NABs have supported the development of new instruments and are making rapid progress (+18%)

1/3

are currently supporting the development of new impact funds or instruments

Close to

60%

are planning to support the development of new impact funds or instruments



In the **United Kingdom**, the NAB launched a challenge to mobilise more capital for Just Transition outcomes globally. The challenge now has 20 founding participants managing about USD 5 trillion in assets.



In **Türkiye**, the NAB supported the establishment of the country's first Impact Fund, an early-stage, \$20 million venture philanthropy initiative



In **Spain**, the NAB is supporting the government in launching a USD 400 million impact fund with NextGeneration EU.



In **Zambia**, the NAB is supporting the Central Bank in developing a credit guarantee facility for SMEs.

BUT

30%

of NABs have **no plans to help build new instruments**. This is twice as much as last year (15%).

Close to
1/2

of NABs have **no plans to consider catalysing an impact fund**

Market Development

More NABs are helping the demand side to access impact finance, but progress remains slow:



Over
60%
of NABs are supporting
the demand side (+5%)

4

NABs have led or
supported the
development of **deal
matching platforms**

Only

15%

of NABs are supporting
the demand side with
proven success



In **Brazil**, the NAB launched an online platform to showcase opportunities for investors. It includes a list of fund managers and vehicles available in the country.



In **Chile**, the NAB partnered with IADB/BID to launch a free match-making platform to link impact investors and social enterprises.



NABs in **Ghana** and **Nigeria** are launching DealSource Africa, a joint deal sourcing platform

Policy Development

The number of policies influenced has increased, but more than half of NABs have not influenced government policy in the past 3 years.



100%

of NABs have contacts with the government

63%

of NABs are currently working on policy development

44%

of NABs have influenced policy in the past 3 years

2x

The number of NABs that influenced more than 2 policies doubled from 12% to 26%.



In **Argentina**, the NAB worked with regulator to simplify the reporting regime for SMEs



In **Japan**, the NAB provided input into the Prime Minister's New Capitalism policy. It also organised roundtables that have contributed the establishment of a government working group on impact investing

Knowledge Development

Almost all NABs now produce their own research. This represents a significant increase as compared to last year (+25%), when more NABs only contributed to research developed by partners.

93%

of NABs have
published their own
research (+24%)

63%

Have contributed to
research developed
by partners

59%

Have done both



In **New Zealand**, the NAB published Guidelines and Principles for Impact Investment in New Zealand, a user guide for investors in the country.



In the **US**, the NAB published a deep dive into innovative strategies used to invest charitable endowments into impact

Communication Development

NABs continue to grow their visibility and outreach.



2/3

of NABs have hosted two or more successful events in the past 2 years

More than

1/2

achieved a satisfactory increase in audience

44%

plan to launch a communication this year



In **Mexico**, the NAB organized the 13th edition of the Latin American Forum for Impact Investment (FLII), which was attended by more than 3000 people.



In **Italy**, the NAB partnered with a specialised national magazine to publish research and raise awareness




In **India**, the NAB launched two thematic bulletins on climate start-ups and blended finance.



In **Sweden**, the NAB pinpointed members with specific expertise in communication and invited them to form a group that supports the secretariat with producing content.

Global impact on the world

NABs continue to collaborate and learn from each other, contributing to global ecosystem development.

More than
 **60%**
 of NABs are working on getting ecosystem players to collaborate internationally

1/4
 Have decisively lead their ecosystem to collaborate internationally

Over
 **3/4**
 of NABs **actively participate** in GSG knowledge sharing activities and/or NAB development

96%
 Have **provided support** to other NABs.

89%
 Have **received support** from other NABs.

 **78%**
 Have **started a collaboration or joint project** with other NABs (+12%)

Global impact on the world



In **South Korea**, the NAB supported the establishment of the Korea Impact Valuation Institute, which aims to promote impact accounting in the country and act as the implementation arm of the **International Foundation for Valuing Impact**. The NAB also submitted comments as part of the **ISSB** consultation process.



The NAB in **France** started consultation process with other European NABs on EU advocacy to develop a common position on the European Social Entrepreneurship Funds (EuSEF) regulation. Along with the GSG and **NABs in Africa**, it organised a side-event at the Finance in Common Summit, gathering 500+ PDBs and DFIs. As a result, the France NAB is working actively to support the development of new NABs in Ivory Coast, Senegal and Burkina Faso.



The **Türkiye** NAB gathered data from other NABs and Task Forces in **Mexico, Indonesia, South Korea**, and **Australia**, countries member of the MIKTA partnership and worked with the GSG policy team to develop a report summarising the current status of impact investing in these country, which will be used to engage with the platform.



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

Market evolution & trends

- Market growth rates estimates
- Market awareness
- Policy environment
- Market players & instruments
- Availability of market data

Market growth rates estimates

Among the 23 NABs that were able to provide an estimate

27%

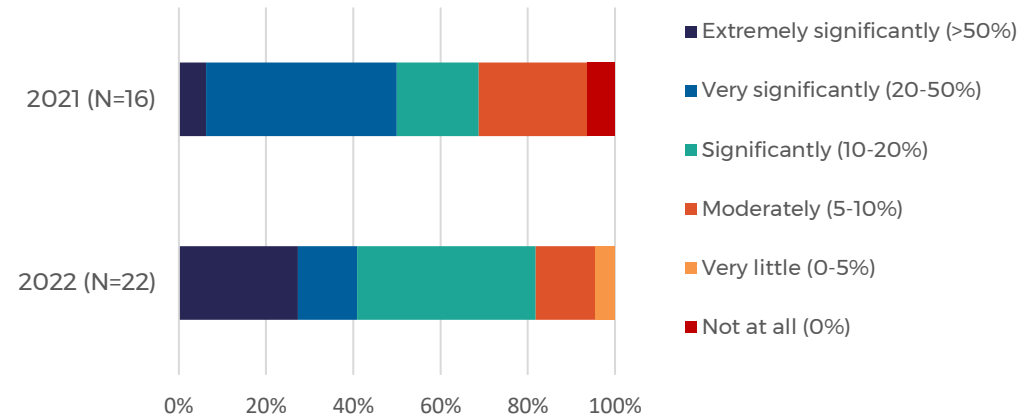
estimate that their market **grew extremely significantly (>50%)** over the past year.

This seems to indicate **an acceleration in the growth of markets.**

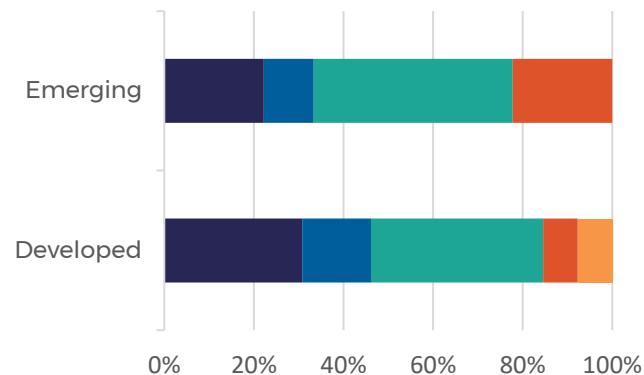
Growth seems **slightly slower among emerging markets.**

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

Cross-year comparison



Developed v. emerging economies



Market trends: insights from the NABs

Through their interaction with their local ecosystems, NABs have gathered some qualitative insights on:



Market awareness



Policy environment



Market players &
instruments

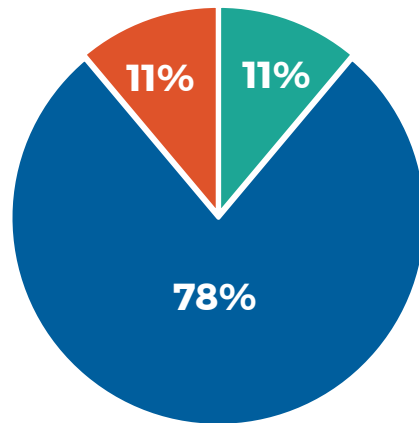


Availability of market data

Market awareness



In the majority of countries, there is a growing awareness of impact investing but with a degree of confusion.



- ▲ 3 countries/regions reported low awareness: Bangladesh, Central America and Japan.
- ▲ 3 countries reported widespread awareness: France, Portugal and Sweden
- Widespread awareness of what impact investing is by most stakeholders. Key players have a good understanding of how to engage in impact investing and apply good practices and standards.
- Growing awareness with a degree of confusion (E.g. have heard of impact investing, but not a clear taxonomy, confusion with ESG etc.)
- Low awareness of impact investing from the general public, government, private sector ... (E.g. no idea what impact investing means)



Policy environment



59%

of governments have implemented at least one impact policy (+5%)

About

30%

of governments are developing or considering impact policies

- ▲ Key impact **disclosure regulations** are being developed by the EU, UK and United States, and are expected to have ripple effects across jurisdictions globally.
- ▲ In more developed markets, the **growth of the ESG movement is starting to generate some backlash** that could spill over to impact investing. In some countries like the US, the topic has become heavily politicised.
- ▲ As a result, the most ambitious regulations are expected to come from Europe.



Market players & instruments

Governments are getting more involved as market participants

70%

of governments actively supply impact capital

This represents a significant increase of

↑ +20%
as compared to last year

1/3

of governments supply impact capital through multiple channels or instruments.

10%

have entered the market as suppliers this year

41%

of governments play a market facilitation role (+10%).



In **Brazil's** Development bank has a wide offering of impact products including VC impact funds, blended impact funds and acceleration programmes.



In **Türkiye**, the Ankara Development Agency established the first impact Fund of Funds valued at about USD \$14 million.



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

Market players & instruments

In Europe, the market is both deepening and widening



In **Spain**, existing asset managers are launching their second rounds of impact funds



In **France**, the first outcome contracts fund was launched. The USD 15 million fund will support the scaling up of social and environmental projects



In the **Netherlands**, more and more consultancies are entering the market to advise a growing sector

The Green, Social and Sustainability and Sustainability-linked (GSSS) bonds market has grown exponentially



In **Argentina**, GSSS bonds are increasingly used by non-traditional players like microfinance institutions and NGOs.



Colombia became the first Latin American country to issue a green bond in its domestic market.



Availability of market data

An increasing number of NABs (~60%) are collecting data to size their country's impact investing market. This adds to efforts conducted by other organisations (E.g., GIIN, ANDE, Bloomberg etc.)

But these initiatives use different methodologies and **it still is not possible 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 NABs. However, it is important to note that

- ▲ **This mapping may not be exhaustive:** it gathers sources provided by NABs through the annual self-assessment survey, as well as sources made available through NABs' websites.
- ▲ **Numbers are not comparable across countries:** this is because NABs 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)

AUM in USD billion	2015	2016	2017	2018	2019	2020	2021
Argentina							
Australia	1.20	2.50	2.84	10.80	13.90	20.40	23.00
Bangladesh							
Brazil	0.19				0.79	2.86	3.60 ¹
Central America							
Chile							
Colombia							0.47
France						4.80 ²	6.50
Germany	0.08					3.20	
Ghana							
India						2.6 ³	6.8 ³
Israel							
Italy					0.24		
Japan		0.34	0.72	3.00	2.90	3.20	11.00
Mexico					0.11		
Netherlands						180.00	
New Zealand	0.00	0.07	0.07	0.07	3.20	1.80	5.80
Nigeria	1.7 ⁴				1.56 ⁵		
Portugal						0.15 ⁶	0.30 ⁶
South Africa							
South Korea							0.68
Spain						2.85	2.58
Sweden						4.50 ⁷	
Türkiye							
United Kingdom						80.00	
United States							
Zambia					0.58 ⁸		

1. Data not yet published
2. Source unavailable
3. Refers to assets mobilised by impact enterprises during the year
4. Refers to capital deployed between 2005-2015
5. Refers to capital deployed by DFIs & SFMs between 2015-2019
6. Source unavailable
7. Secondary data. Refers to VC Capital only, directed to ventures addressing at least one SDG in 2020
8. Refers to capital deployed 2015-2019.

Market data (growth rates based on AUM data)

Annual growth	2016	2017	2018	2019	2020	2021
Argentina						
Australia	108%	14%	280%	29%	47%	13%
Bangladesh						
Brazil					264%	26%
Central America						
Chile						
Colombia						
France						35%
Germany						
Ghana						
India						162%
Israel						
Italy						
Japan		113%	318%	-3%	10%	244%
Mexico						
Netherlands						
New Zealand		1%	3%	4407%	-44%	222%
Nigeria						
Portugal						100%
South Africa						
South Korea						
Spain						-9%
Sweden						
Türkiye						
United Kingdom						
United States						
Zambia						



A consortium of European NABs conducted a joint market sizing exercise and estimated the European direct private impact investing market at **USD 88 billion**.



In the Netherlands, impact investments account for **4-6% of all Dutch assets** under management

NAB priorities and feedback

- NAB priorities
- NAB satisfaction
- Questions & Challenges raised

NAB Priorities

The NABs continue to focus on the same priority SDGs:



NAB priority areas for GSG support most frequently mentioned during interviews were:



Connection to other NABs for support and collaboration on specific topics (41%)



Support to drive policy or regulatory change (30%)



Support with NAB fundraising (26%)

NAB satisfaction



**Overall satisfaction
with GSG**

↑ 94%

Average score (+4%)



**Relationship with
the GSG team**

= 86%

Average score



**Satisfaction with the
information provided**

= 84%

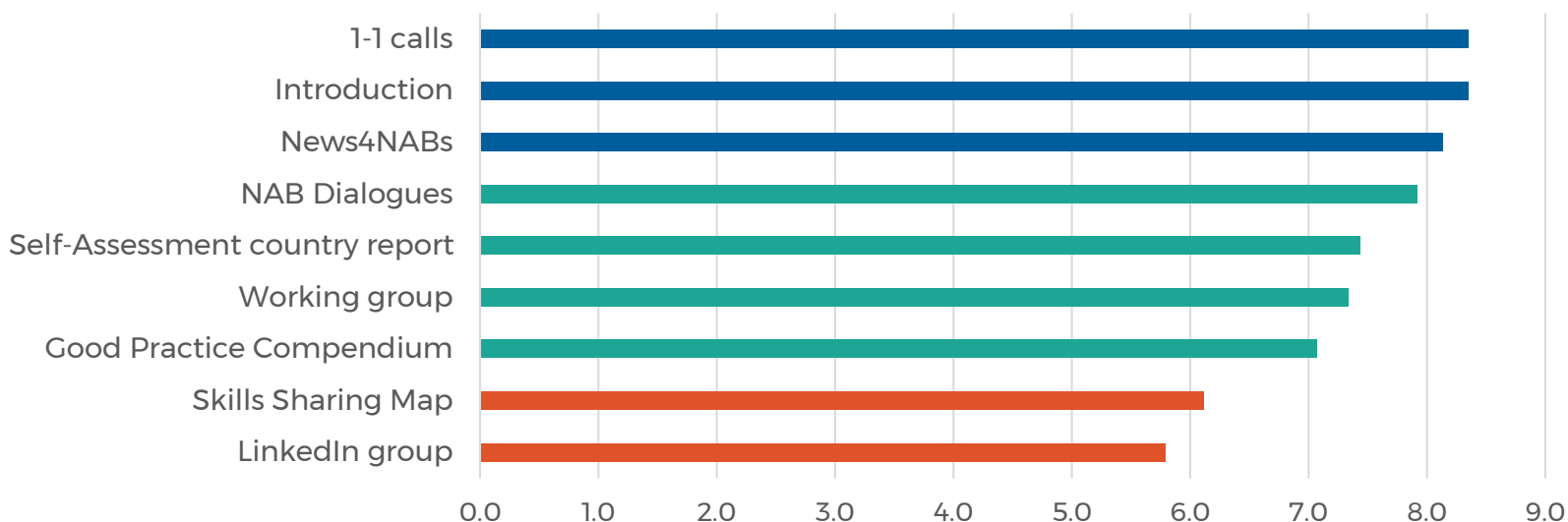
Average score

NAB satisfaction

NABs continue to value direct support and connections to potential partners and funders

- ▲ NABs found 1-1 calls, introductions and N4N most useful, and the Skills Sharing Map and LinkedIn Group the least useful.
- ▲ However a number of NABs did not know how useful the GSG channels and products were to their members, which could suggest poor dissemination

Usefulness of communication channels/products



Questions & Challenges raised



How to best engage NAB members?



Is there appetite for a knowledge sharing platform?



Is the GSG strategy/workplan aligned with NAB priorities?



How to develop external knowledge products and tools that can be used by NABs to engage with their stakeholders?



How to can the GSG best support European regional collaboration/EU engagement?



How to can the GSG best support NAB fundraising?