The X Factor
- Connecting for the future!
World engine in a state of flux..? Or is Chaos a ladder?
The Challenge

UNCTAD estimates annual funding gap of $2.5 trillion to achieve the SDGs by 2030

“It is imperative to implement innovations that can divert private capital towards development objectives to help bridge the SDG financing gap.”

- Dr. Shamshad Akhtar United Nations Under-Secretary-General and Executive Secretary of ESCAP
Microfinance-inspired Impact Investing is a fast growing and new approach to economic development.

Fields for Impact Investing:
- **PHILANTHROPY**
- **THEMATIC INVESTING**
- **SUSTAINABLE INVESTING (ESG)**
- **SOCIALLY RESPONSIBLE INVESTING (SRI)**
- **MAINSTREAM INVESTING**

Fully oriented to positive impact
Investment in chosen sectors
Positive screening
Negative screening
No consideration of impact

Projected GROWTH
World Economic Forum expects an investment of $500 billion by 2020 in impact businesses

Impact is now mainstream. It is an asset class in its own right. Financial majors - Blackrock, Bain, BNP, Goldman, Zurich Insurance, AXA are now investing in impact.

Shift in the way we do BUSINESS
Focus on triple bottom line, adoption of the SDGs, geo-political complexities, ubiquitous (and new age) technology and entry of millennials

Financial Majors Going ALL IN
$5.2 Bn invested in India in the last 6 years; $10 Bn projected for 2025

Evolving and ENABLING LANDSCAPE for investment in India
Regulation for Social Venture Capital Funds within AIF; Crowd funding white paper
Priority Sector Guidelines provide additional opportunity for growth - JAM
Enabling regulation on 2% mandatory CSR contribution
The Rising demand for socially responsible and purpose-driven finance has resulted in new ways of putting capital to work the world over.

**ImpactX**

- $X^1$ – Blends and provides a unique texture to mainstream funds + Launch of new funds
- $X^2$ – Enables scaling of social enterprises
- $X^3$ – Application roadmap for catalysing the SDGs
- $X^4$ – Provides exponential growth opportunities for women entrepreneurs
1. **World Bank Launches SDG-Linked Bonds in Asia** - These five-year bonds, the first of their kind in Asia, have raised US$3.52 million.

2. **ESG Funds** - Avendus India ESG Fund *(claimed to be India’s first ESG Fund)* plans to raise USD 1 Billion from HNIs, family offices and offshore investors.

3. **Danish SDG Investment Fund** - Supports the UN Sustainable Development Goals through commercial investments in developing countries *six pension funds and IFU signed an agreement to establish the Danish SDG Investment Fund*

4. **The Water Finance Facility (WFF)** - Mobilizes large-scale private investment by issuing local currency bonds in the capital market in support of their own country’s national priority actions on water and sanitation service delivery.
How has Impact Investing enabled scaling of social enterprises?

❖ Increasing awareness in the concept of impact investing
❖ Philanthropists looking to be more strategic with investments
❖ A growing entrepreneurship ecosystem focusing on social problems (Social Enterprises)
Acting as a catalyzer to the SDGs

Impact investing in turn has led to the creation of innovative financial instruments which in turn shall bolster the financing of the SDGs

- Green Bonds/Blue Bonds
- Social Impact Bonds (SIBs)
- Pandemic Bonds
- Social Success Note
- Diaspora Bonds
❖ Women’s empowerment looks to be one of the transformative economic trends of our time.
❖ A wealth of research shows how investing in women around the world produces powerful results that benefit families, communities and entire societies – and on top of all makes for good ROI.

Investment firms that pursues above market returns through investing in women

Gender lens centered philanthropy, foundations and endowments

Microfinance institutions empowering women in developing countries

Angel investors focused on women-led startups
Creating a ‘capital with a conscience’ ecosystem

GRAMEEN CAPITAL INDIA (GCI)

GRAMEEN CAPITAL INVESTMENT ADVISORS
Advisory Practice

GRAMEEN IMPACT INVESTMENTS INDIA
NBFC/Debt financing

EQUITY FUND

SOCIAL STOCK EXCHANGE / CROWD FUNDING PLATFORM

“The fact is that there is plenty of money in any country to lend money to the poor. It is all a question of mobilizing it and making it available to the poor. Grameen Capital India will facilitate access to local capital markets for Indian MFIs.”

Prof. Yunus, 2006 Nobel Laureate,
in “Creating a World Without Poverty”
Looking Ahead

Microfinance, Impact Investing & SDGs

1 NO POVERTY

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

6 CLEAN WATER AND SANITATION

8 GOOD JOBS AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

THE GLOBAL GOALS
For Sustainable Development

HOPE

6

6

6
**Enabling Ecosystem**

- Enabling regulatory framework
- Policies
- Stakeholder engagement
- Self-regulation
- Pvt sector

**Results-based Financing**

- Impact measuring tools
- Focus on triple-bottom-line

**SDGs & Gender-lens Finance**

- New Asset Class
- Blended finance

**Technology as catalyst**

- Design
- Scale

**Everyone included**

- “No one left behind”
Sometimes I want to ask God why He allows poverty, famine and injustice in the world when He could do something about it, but I’m afraid He might just ask me the same question.

Thank You