



OECD SOCIAL IMPACT INVESTMENT PROJECT: FROM PHASE I TO II

Karen E. Wilson

Statistics and Development Finance Division

Development Co-operation Directorate, OECD

Social Impact Investment Taskforce Plenary

London, U.K.

9 July 2015



OECD Social Impact Investment Work: PHASE I

- Work commissioned at G8 Social Impact Investment Summit in London in June 2013
 - Support from representative organisations of the Taskforce (Canada, Germany, UK)
 - Presentations of ongoing work at SIITF meetings (2013-2014)
- OECD Social Impact Investment expert meetings
 - Discuss existing data sources and processes to move towards comparable int'l data
 - March 2014 (Paris) and June 2014 (London)
- Integrating SII work across the OECD
 - Presentations in committees (34 member countries + observers) + OECD Forum 2015
 - Strategic cross-OECD initiatives: NAEC, Inclusive Growth + G7/G20 initiatives
 - Linking to work across OECD Directorates
- Phase I Report
 - Preliminary version published in February 2015
 - Reach to OECD and non-OECD countries + SII practitioners



Social Impact Investment: Building the Evidence Base

Key Chapters of OECD Report:

Overview on Social Impact Investment

Social Impact Investment Framework

Characteristics and Attributes of Social Impact Investment

Context Setting: Differences in social needs and service delivery across selected countries

Social Impact Investment Market Data: Initial Findings

Policy Actions and Implications





OECD Social Impact Investment Work: PHASE II

- Expanded set of countries
 - New members of International Steering Group
 - Other OECD and non-OECD countries
- Case studies
 - Developed and developing countries
 - Variety of sectors/social need areas
 - Mix of SII financing instruments
- SII workshops to exchange experiences on specific topics
 - Instruments, social needs/sectors, etc.
- Expert meetings (international data collection and indicators)
 - July 2015 (London)
 - Jan/Feb 2016 (Paris)
 - July 2016 (following ISG plenary)
 - Jan/Feb 2017 (Paris)
- Phase II report
 - Potentially to launch in June 2017 at GSG plenary



Possible Countries and Sectors for Case Studies (for discussion)

	Health	Education	Housing	Agriculture	Environment	Employment	Other
Africa: -Kenya -Nigeria -South Africa	X	X		X	X		
Asia/Pacific: - Australia - China - India - Japan	X	X	X		X		X
Europe/MENA: - France - Germany - Israel - Italy - Portugal - UK	X					X	X
Latin America: - Brazil - Columbia - Mexico		X	X	X			X
North America: - Canada - US	X					X	X



Objectives of Phase II

- **Measurement:**
 - Measure SII in the framework of private sector investment in the new SDGs.
 - Continue to convene international discussions on SII data collection and indicators.
- **Evidence base:**
 - Provide a more comprehensible and comparable view of SII across countries.
 - Increase understanding about social impact investment in the context of the broader financial markets in developed and developing countries.
- **Practice sharing:**
 - Further knowledge of social impact investment instruments and their applicability in a variety of sectors and across different country settings through the development of detailed case studies and workshops.
- **Policy:**
 - Identify, monitor and assess policy actions taken to further the SII market.
 - Platform for discussion with policy makers



Framing within the new Sustainable Development Goals

The new SDGs will integrate social, environmental and economic goals into an universal agenda.

- The SDGs will be adopted in September 2015 at the UN meetings in New York
 - Implications for developed and developing countries.
- The Third International Conference on Financing for Development will take place in Addis Ababa, Ethiopia in July
 - The FfD conference aims to build support for the implementation of the post-2015 development goals.
 - To achieve the SDG targets, the private sector will need to be an active partner.



The OECD is actively involved in the FfD and SDG discussions



Selected Sustainable Development Goals of relevance for Social Impact Investing

Goal 2:

End hunger, achieve food security and improved nutrition and *promote sustainable agriculture*

Goal 3:

Ensure *healthy lives* and promote well-being for all at all ages

Goal 4:

Ensure inclusive and equitable *quality education* and promote lifelong learning opportunities for all

Goal 7:

Ensure access to affordable, reliable, sustainable and modern *energy for all*

Goal 8:

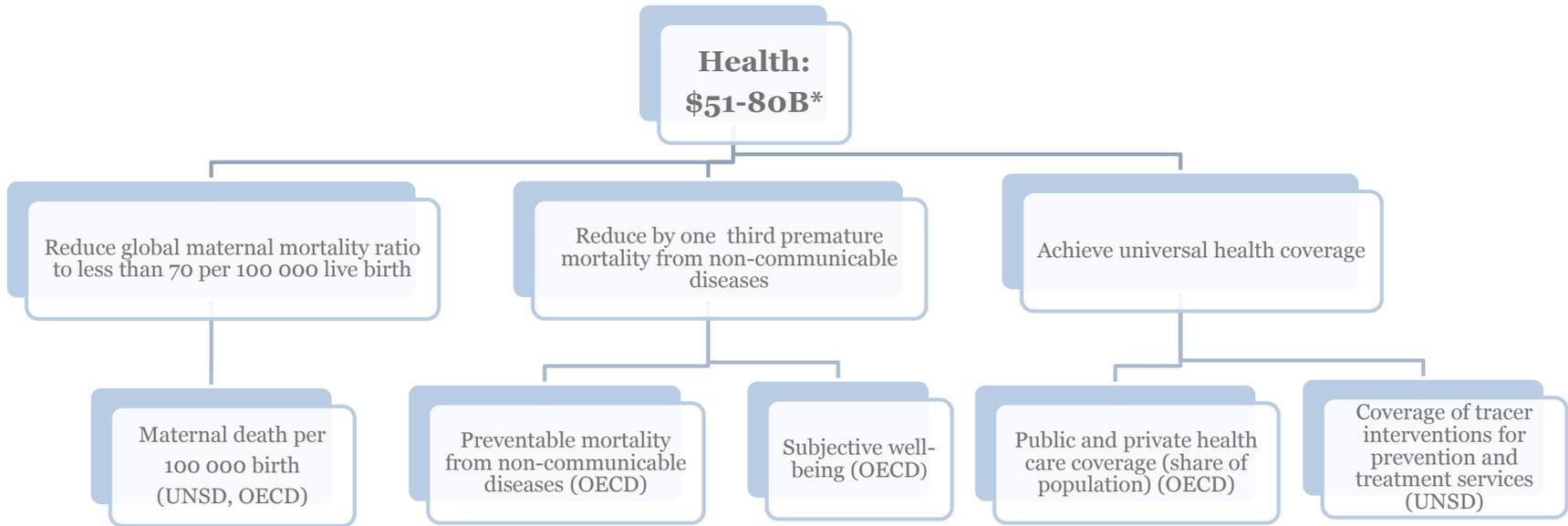
Promote sustained, inclusive and sustainable economic growth, full and *productive employment and decent work for all*

Goal 11:

Make cities and human *settlements* inclusive, safe, resilient and sustainable



SDG 3: *Ensure healthy lives and promote well-being for all at all ages*

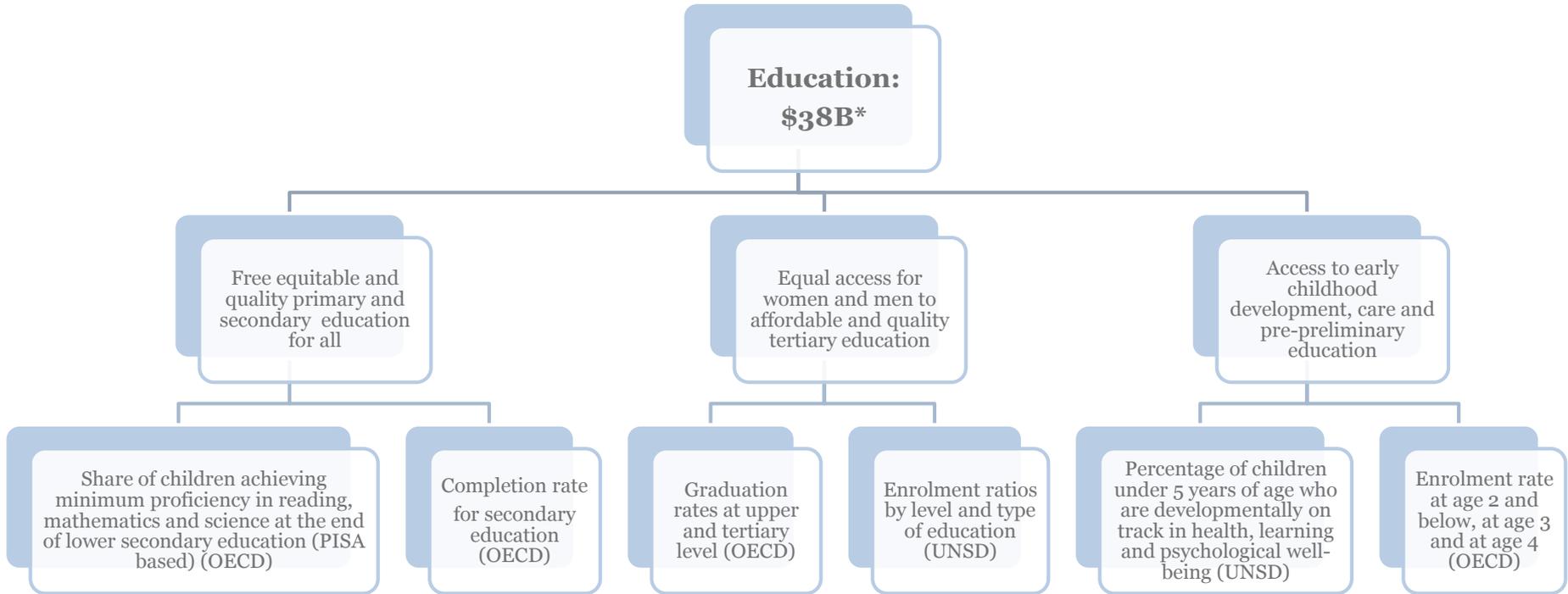


Notes:

- Estimates for developing countries only, from UNSDSN (2015): Financing Sustainable Development: Implementing the SDGs through Effective Investment Strategies and Partnerships for developing countries only.
- Indicators from UNSD (2015): First proposed priority indicator list and OECD (2015) Supporting the implementation of the post-2015 agenda.



SDG 4: *Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all*



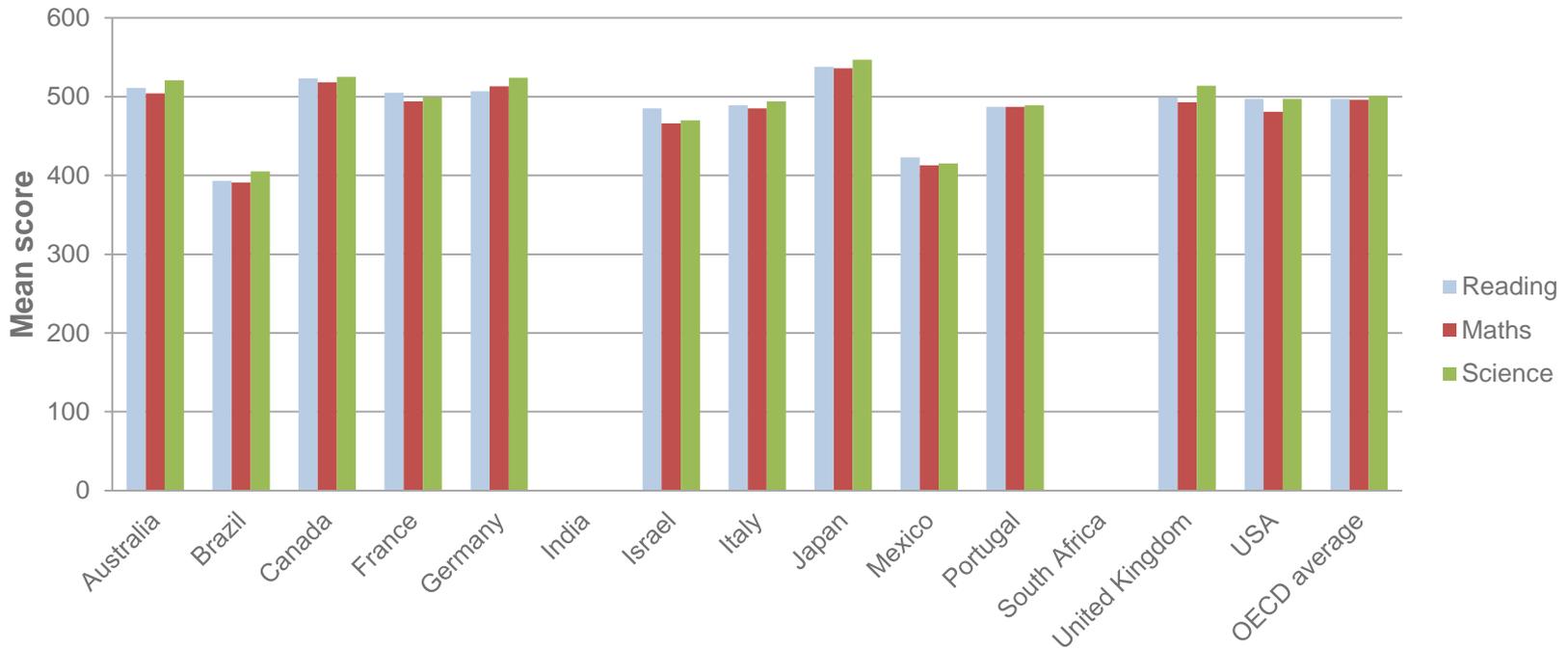
Notes:

- Estimates , for developing countries only, from UNSDSN (2015): Financing Sustainable Development: Implementing the SDGs through Effective Investment Strategies and Partnerships for developing countries only.
- Indicators from UNSD (2015): First proposed priority indicator list and OECD (2015) Supporting the implementation of the post-2015 agenda.



SDG 4: Mean score of PISA performance (2012)

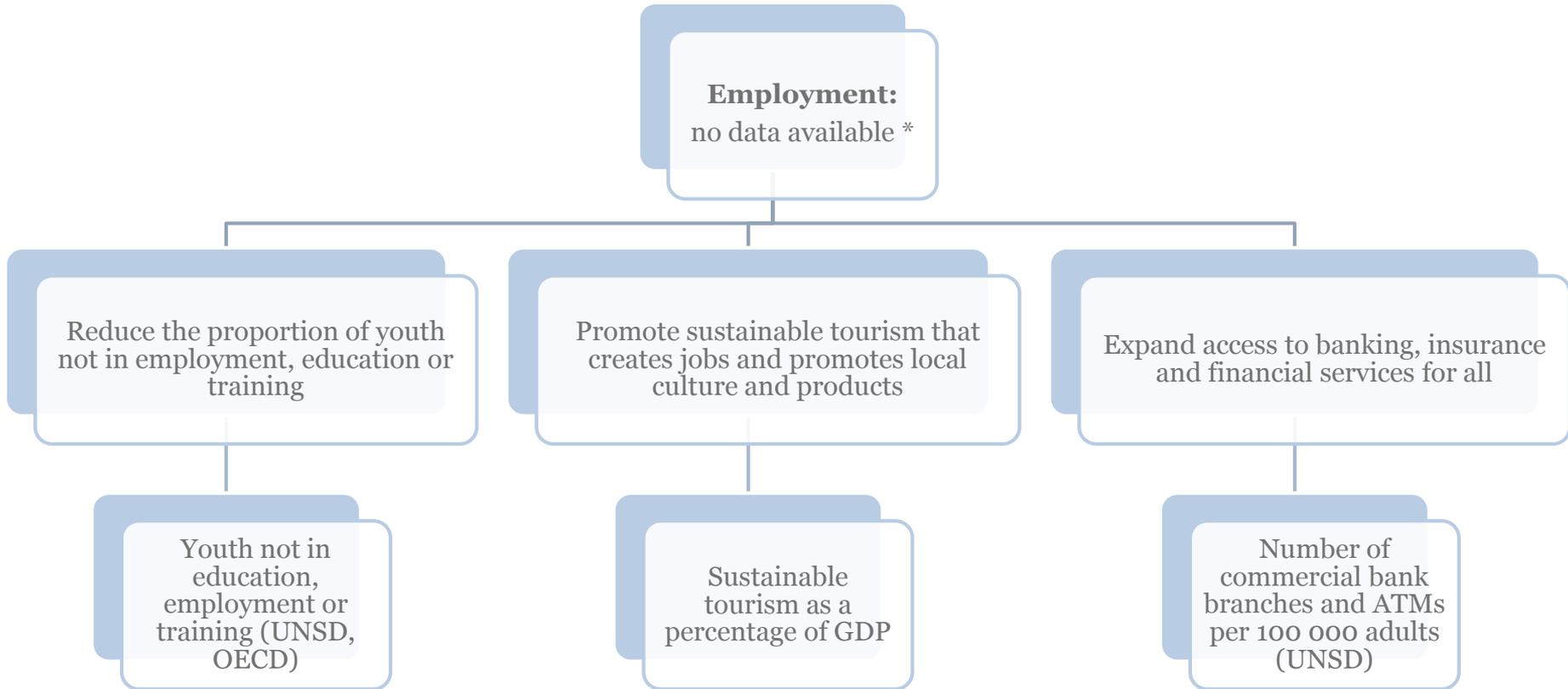
PISA performance in reading, mathematics and science in 2012



Source: PISA 2012



SDG 8: *Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*



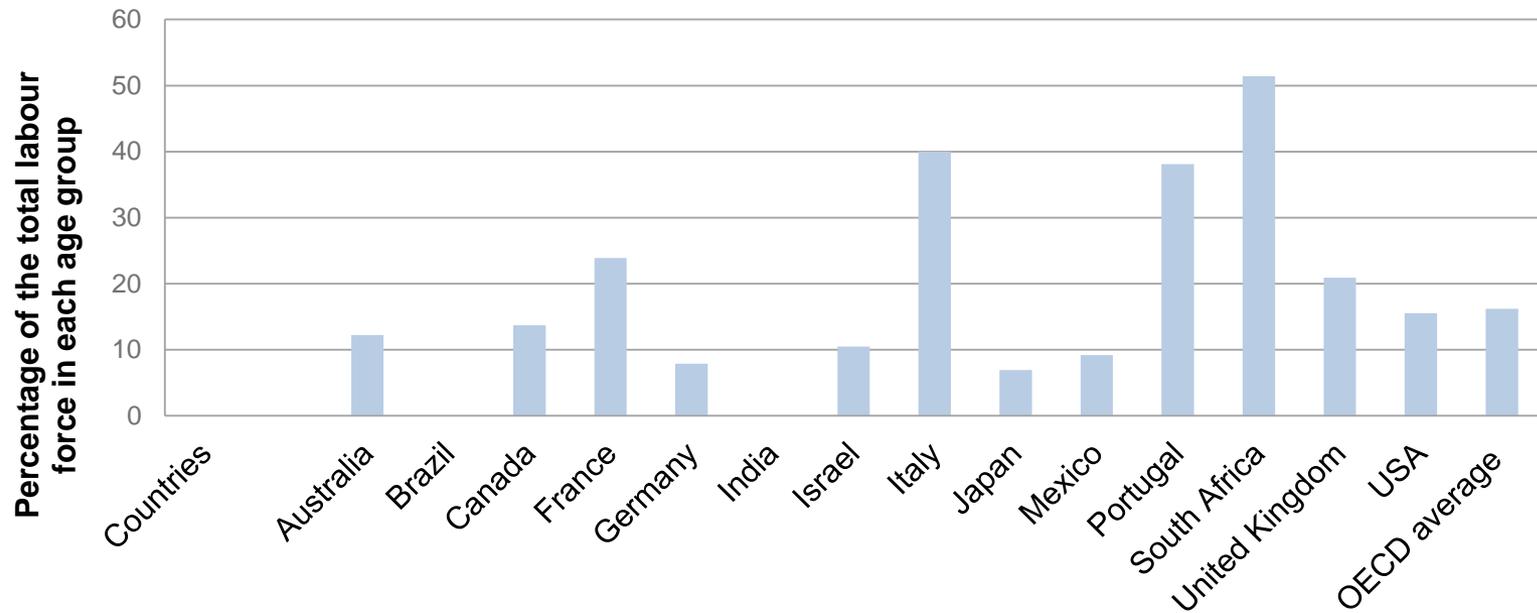
Note:

- Indicators from UNSD (2015): First proposed priority indicator list and OECD (2015) Supporting the implementation of the post-2015 agenda.



Youth not in education, employment or training (NEET)

Unemployed rates 15 to 24 year olds in 2013



Source: OECD Employment Outlook 2014



Next Steps

- Transition Phase (current):
 - Concept note on the role of SII in development finance
 - Engaging in FfD and SDG discussions
 - Drafting chapter on SII for DCR
 - Scoping of initial 10 case studies
 - Developed and developing countries
- Phase II
 - Prepare and discuss detailed Phase II proposal with SIITF and OECD committees, member countries and others.
 - Secure commitments for Phase II work (by September 2015)



Social Impact Investment: Building the Evidence Base

February 2015:

<http://www.oecd.org/sti/ind/social-impact-investment.htm>

*For further information see July 2014
publication:*

http://www.oecd-ilibrary.org/science-and-technology/new-investment-approaches-for-addressing-social-and-economic-challenges_5jz2bz8g00jj-en

For further questions contact:

Karen.Wilson@oecd.org



17 Proposed SDGs

- 1) End poverty in all its forms everywhere
- 2) End hunger, achieve food security and improved nutrition, and promote sustainable agriculture
- 3) Ensure healthy lives and promote wellbeing for all at all ages
- 4) Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- 5) Achieve gender equality and empower all women and girls
- 6) Ensure availability and sustainable management of water and sanitation for all
- 7) Ensure access to affordable, reliable, sustainable and modern energy for all
- 8) Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all
- 9) Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation
- 10) Reduce inequality within and among countries
- 11) Make cities and human settlements inclusive, safe, resilient and sustainable
- 12) Ensure sustainable consumption and production patterns
- 13) Take urgent action to combat climate change and its impacts
- 14) Conserve and sustainably use the oceans, seas and marine resources for sustainable development
- 15) Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation, and halt biodiversity loss
- 16) Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- 17) Strengthen the means of implementation and revitalise the global partnership for sustainable development