

The 2017 GSG Impact Summit - July 10/11, Chicago

A brief account by Ulrike Glatz.

The GSG Impact Investing Summit, being sponsored by the **MacArthur Foundation (Julia Stasch, President)** and the **Ford Foundation/US Impact Investing Alliance (Darren Walker)** in addition to Sir Ronald Cohen, took place in Chicago this year.

It was truly inspiring and insightful to be among the around 550 delegates from 44 countries in Obama's city - although Trump Towers were not far off the Sheraton conference location...

Sir Ronald Cohen, who is also known as the 'the father of Impact Investing', laid out the **vision and action plan for the Impact Investing Industry** for the years to come, in order to achieve a tipping point. An important milestone leading to a fast acceleration of the Impact Investing Industry, as a prerequisite to achieving the 2030 Sustainable Development Goals:

Entrepreneurs:

- The concept of Impact Investing & Impact Entrepreneurship needs to become popular, especially among millennials. As a funny side note, Ronnie (as he is more familiarly known) suggested a new greeting as an alternative to "hello" and "take care": "**Do good - do well**" :)

Asset Owners:

- Foundations should change their investment model. 5-10% of their endowments should be invested in impact as well as 10% of their programmes should fund impact ventures. His objective was to convince 50 leading foundations to do so, and implement Impact Investing as an activity equal to their philanthropic endeavours. Furthermore, foundations should keep making grants available for conferences on Impact Investing that help build the impact community as well as for social ventures that need grants during their start-up phase.
- Pension funds, being institutions that hold major assets, should be approached to also invest part of their funds in impact. France was mentioned as a role model for a policy (90/10 approach) which is necessary to allow pension funds to invest in impact.

Social Sector Organisations:

- NGOs (that mostly offer services to the underprivileged) and profit-with-purpose companies (focusing mostly on products for disadvantaged parts of the society) should start thinking bigger as well as thinking of scaling their efforts based on their proven models - as capital in the form of impact grants, social impact bonds etc is available in the market. That way they can serve their target group not only within their region but beyond, be the engine of innovation and impact and possibly bring about the next Steve Jobs to help us revolutionise the system for the greater good.

Governments:

- Ideally, there should be a ministry (or part of a ministry, e.g. the Ministry of Industries) in each country that is dedicated to impact and that reports directly to the prime minister or president in order to tackle the SDGs and to bring Impact Investing into mainstream. So called 'outcome funds' should be implemented to leverage the procurement power of the governments. Furthermore, 10% of development aid should go to 'paid-for-success' projects. And a list of 'cost of social issues' should be published by the government so that Impact Entrepreneurs can come up with solutions to tackle those issues at a lower cost.

Big Business/Corporates:

- Another challenge Ronnie gave the Impact Investing Community present at the Summit was to find leaders of big corporations to lead in the revolution, and for consumers and clients to exert both internal pressure (as shareholders) and external pressure (as consumers/stakeholders) to push big business toward the Impact Investing revolution.