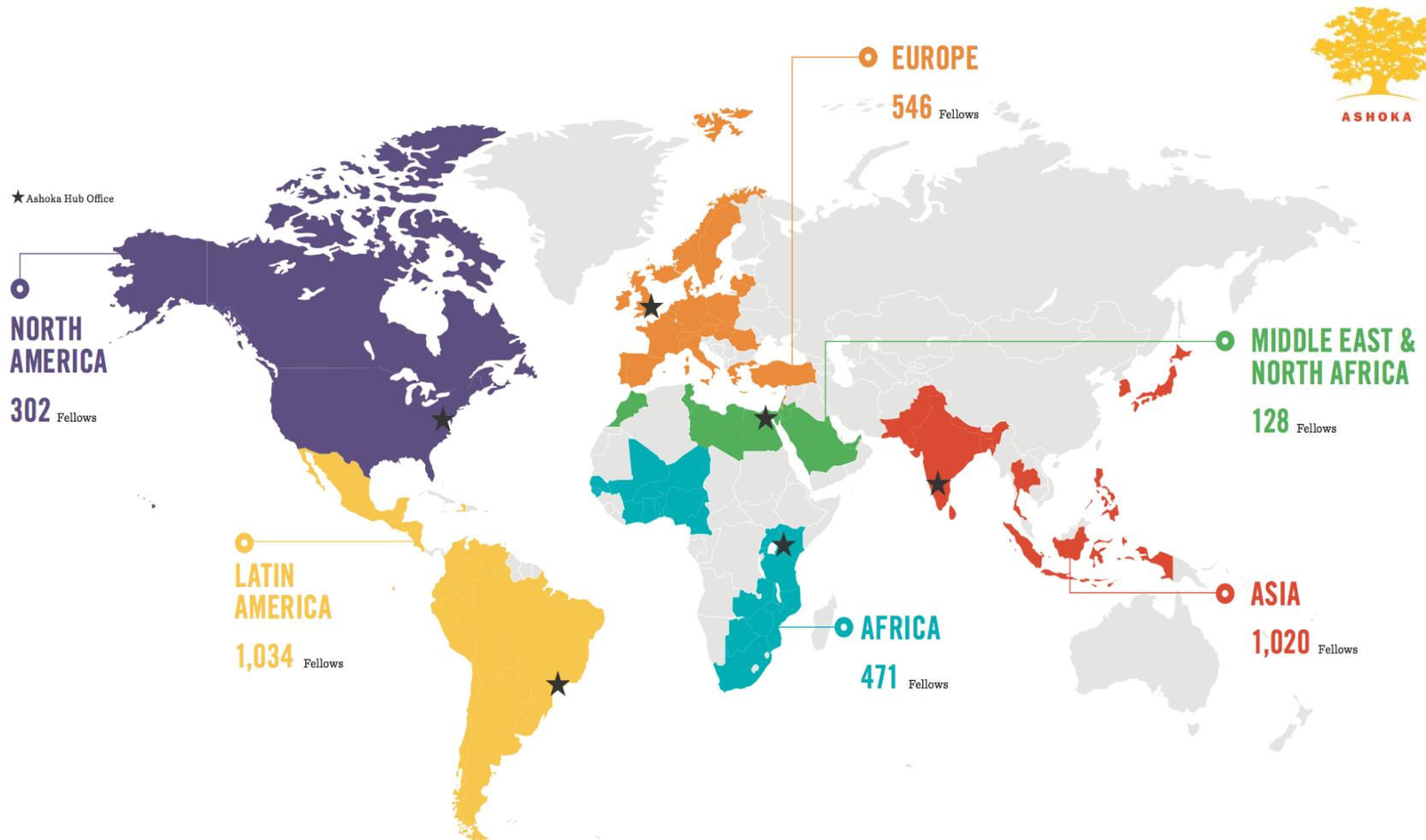


IMPACT INVESTMENT – AN ECOSYSTEM VIEW

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ASHOKA – A COMMUNITY OF 3600+ SOCIAL ENTREPRENEURS



FINANCE 4 SOCIAL CHANGE

- **What:** The Finance4SocialChange (F4SC) project is supported by the European Commission to further develop the impact investment ecosystem in Danube region.
- **Who:** A multi-disciplinary community of 14 partners from 12 countries and 6 associated partners from across Europe.
- **Why:** We want to support non-profit and for-profit social entrepreneurs and deliver good policymaking practices to governmental institutions, to better shape the regulatory framework for the proper functioning of the social financing sector in the Danube region.
- **How:** Mapping, Stakeholder Engagement, Blended Learning, Competition
- **When:** 2018 - 2021
- **Budget:** The overall budget for the project is 2 mio Euro

IMPACT INVESTMENT FOR WHOM?



	SOCIAL ENTREPRENEUR	SOCIAL BUSINESS	BUSINESS WITH IMPACT
FRAME OF REFERENCE	SOLVE SOCIETAL PROBLEM	GENERATE IMPACT & REVENUE	MAKE PROFIT & GENERATE IMPACT
RELATIONSHIP TO MARKET	RESPOND TO MARKET FAILURE	BUILD MARKET / EXPLOIT MARKET OPPORTUNITIES	EXPLOIT MARKET OPPORTUNITIES

ADOPTING AN ECOSYSTEM VIEW: THE (LONG) PATHWAY TO IMPACT INVESTMENT READINESS



PROOF OF CONCEPT	Understanding the social problem	Conceptualizing the impact model	Conceptualizing the business model	Conceptualizing the offer (products, services, programs)
IMPACT & DEMAND VALIDATION	Testing the offer	Demonstrating impact	Demonstrating demand	Gaining access to markets or social systems
CAPACITY BUILDING	Finding partners & supporters	Building organizational capacity	Scaling impact	
INVESTMENT READINESS	Impact assessment	Financial planning	Finding potential investors	Negotiating investment deals

DIFFERENT SOURCES OF FUNDING ARE NEEDED



SOCIAL IMPACT BONDS

CASE: SOCIAL IMPACT BOND (GERMANY)

- **Incentivize private investments**
- Public bodies and private investors **share risk**
- Public, Private, Academic actors and social businesses **cooperate around a social challenge to achieve impact**
- Social businesses **gain access to investments without risk**
- Social businesses with **complementary competencies bridge gaps** (e.g. SE active in job integration + SE active in schools)
- 250.000 EUR investments for two years

PUBLIC FOUNDATIONS

CASE: INNOVATION FOUNDATION FOR EDUCATION (AUSTRIA)

- Founded by Austrian ministries
- Goal is to **innovate the Austrian education system**
- The foundation **partners with private foundations** to launch thematic programs
- The foundation **enables foundations to invest** in educational initiatives more easily (less legal barriers and taxes)
- The innovation foundation **leverages the capital** invested by private foundations
- It supports **collective impact programs**
- <https://innovationsstiftung-bildung.at>

ACCESS TO PUBLIC SYSTEMS

- Introduce new **public procurement procedures** that address social businesses and social impact
- Enable public bodies to **adopt innovation from social businesses** or to partner with social businesses

THANK YOU!



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More information and reports: <http://www.interreg-danube.eu/approved-projects/finance4socialchange>



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