

## National Task Force for Impact Investing

4<sup>th</sup> Plenary

4 December 2018

### Attendees

Taffy Adler	WITS
Tracey Austin	Omidyar Network
Martie Janse van Rensburg	Independent
Basil Maseko	Treasury
Khulekani Mathe	BASA
Tshediso Matona	NPC
Pat Pillay	LifeCo SA Group
Heather Jackson	Ashburton Investment
Lindelwe Mbugua	Ashburton Investment
Jonathan First	DBSA
Tine Fisker	UCT GSB Bertha Centre
Susan de Witt	UCT GSB Bertha Centre
Barry Panulo	UCT GSB Bertha Centre

### Apologies

Elias Masilela	DNA Economics
Jon Duncan	Old Mutual
Monique Mathys-Graaf	PIC
Sizwe Nxasana	Sifiso Learning Group
Wendy Lucas-Bull	ABSA
Isaac Ramputa	FSCC
Monique Mathys-Graaff	PIC

#### 1. GSG Update

- Taskforce has an opportunity to put in a concept note to produce a research paper to the GSG. Content potentially focusing on the positioning of impact investment in SA, linkages to other African impact investing bodies, the relationship between local and international investment - relative flows and challenges, use of technology to fast-track some of the developmental technologies and how we can contribute meaningfully to global fora.
- Members expressed general support for exploring the concept note opportunity further and an interest in further understanding what the potential is for collaboration with GSG working groups on matters of common interest to the taskforce. The importance of driving impact in Africa to the GSG was noted and opportunity to better showcase Africa and also begin to link to the implementation/financing considerations around the SDGs in Africa resonated with many in the room.
- The concept for this research will be put forward to the GSG and consideration provided to how the work can be carried forward - including how it may be funded.
- With respect to GSG membership, the Bertha Centre offered to pay the GSG membership on behalf of the taskforce at the last convening. This fee is on the verge of being paid and the IISA chairperson will sign a document indicating the Taskforce's intention to reimburse this at a future date.

- The GSG will be engaging on an Advocacy campaign aligned with the Impact Journey concept note shared with Taskforce members. Part of the strategy is digital but a part of it involves in country visits and along with local NABs the intention is to build interest in its work and the global partnership. This will entail visits to countries including Brazil, Indonesia, Chile and Egypt and each country has been allocated a Sustainable Development Goal to concentrate the engagement around.
- The GSG will also visit South Africa as part of this campaign and has allocated Gender as focus for South Africa although it may be possible to discuss shifting the primary focus area if required. Members indicated interest in supporting the local leg of this campaign and suggested that gender is an important and relatively overlooked SDG its worthwhile debating if it should be the focus. For instance, a focus on inequality and related elements such as job creation and poverty alleviation may be more resonant. It may also be possible to use gender as a lens into many of the other potential SDGs and consider other areas of interest including education and access to finance within this. Interest in this campaign will be conveyed in further conversations with the GSG along with questions on the potential to refine the local country focus SDG.
- G20 – Getting Impact Investment on the Agenda. There are ongoing efforts to lobby for impact investing to be on the agenda at the next G20 convening in Japan next year. This process is being managed through country representatives or ‘Sherpas’ and the SA representative seems to be in SA Treasury. There will be follow up with Treasury colleagues to connect with the individuals Sherpa role to shape Taskforce’s engagement.

## **2. Local Updates**

- The SA Impact Investment Forum 2018, which happened in late October and served as the launch event was a great success. There was a lot of positive press coverage and a lot of post event interest from people interested in being involved in working groups and supporting the work that is being followed up by the secretariat.
- The Taskforce will host the GSG Summit in 2020 and the chairperson would like fundraising for the summit to commence as soon as possible. Thus, this item will become a standing agenda item from and efforts will commence starting Q1 2019. This will involve the constitution of a working group to drive the work and fundraising from the start of next year. Early efforts are likely to centre on establishing sponsorship packages - some taskforce members had already expressed interest in providing sponsorship and preliminary costings would indicate the amount required may be in the region of R10m.
- The Taskforce has been engaging with the President's Investment Mobilisation Unit Working Group and is exploring avenues through which its work may further align with the investment mobilisation unit efforts. The SA Impact Investment Forum was one such collaboration and the Taskforce is collaborating with the unit to conduct joint survey on research needs. The survey has recently been shared and further areas such as the demand side research working group may present further alignment opportunities. Members suggested exploring synergies with working group areas of emphasis e.g. considering ESG implications as part of the impact measurement and management working group

## **3. Working Group Leadership & Membership**

- Supply, Demand and Impact Measurement and Management (IMM) are overarching groups although there are additional working groups allied to these high-level headings. Concept notes are available for each working group on Dropbox. These concept notes are work in progress and will be iterated over time, especially with the selected working group leads. One of the objectives of this meeting is to consider working group leads and validate potential membership.
- **Supply Side Group**
  - Objective 3 under the description for this group will be modified to draw a clearer distinction between the general Supply side-group and the Policy working group.
  - Members expressed belief that the list of potential working group members has a good mix of people and doesn't have glaring gaps. It has good industry body representation but there may be value in securing more DFI representation - potentially representatives from the IDC and Landbank.
  - It would also be useful to cross reference with the attendees to SA Impact Investment Forum with an expressed interest in lending support. Some listed members e.g. the Towers Watson representative may not be able to actively participate. It would also be useful to secure more asset manager representatives e.g. Futuregrowth, Old Mutual, Mergence and Ashburton involved. Some potentially interesting individuals to connect with may be Jason Lightfoot and Sean Friend.

- **Policy Group**

- This grouping has been engaging with the National Sustainable Finance Initiative at National Treasury to ensure to encourage reporting of impact alongside ESG. There a formal working group is likely to crystallise around this following the budget speech next year and the Taskforce is set to input from an impact point of view.
- There have also been inputs made into a social economy policy process aligned with the ILO/Flanders. Some would like to get a better feel for what this green paper entails and what kind of legislation they are looking to produce. Members would like to be able to connect with them to understand what kind of regulations they want to help bring about.
- The group can also look to engage internationally and inform research and reports by the OECD, UN, GSG and similar groupings.
- It was suggested that the working group could also serve as a convening body to help drive progress on policy initiatives relevant to the market.
- It was recommended Anthony Costa and Isaac Ramputa be considered for working group membership.
- There is also a group of international advisors interested in providing support. Additional recommendations will be sought as the list could potentially be more expansive and these sorts of advisors can indicate valuable precedent from other markets.

- **Foundations**

- There is existing work that can be leveraged in this section, including a comprehensive investigation of the foundation space by Dean Hand (Ashburton) who could be a great resource for driving this working groups inquires.
- Additional suggestions include Intellidex (Stuart Theobald) and the WWF.

- **Demand Side group**

- Mark van Wyk (Mergence) was put forward as a potential addition to this group
- Follow on conversations will be conducted with potential leads for this group.

- **Impact measurement & management group**

- An Impact measurement and Management course was recently hosted by the Bertha Centre - the material will be distributed with members.
- There is a forthcoming meeting at ASISA. The infrastructure working group (led by Malcom Fair) is doing some work on measurement and there may be an opportunity to secure Malcolm's involvement as the working group lead.

- No taskforce members have volunteered to lead a working group.
- Members are generally open to having a non-Taskforce member lead on workstreams as working group co-chair alongside a taskforce member. This may widen participation. However, in the interests of furthering the work, it's important to ensure such a resource has enough availability or support to drive the work forward in a manner comparable to a formal hire.
- Generally agreed that there is no need to impose a one size fits all approach at this point – groups will have flexibility to consider the co-chair model and will have the benefit of secretariat support.
- At this point there is a fair amount of clarity around the potential working group members with more work required on the side-lines to identify working group leads. The next steps will be to reach out to the potential members and ask them to confirm participation in the groups. Further work will occur on the part of the secretariat to identify the working group leads and explore options such as co-chairing or external people supporting this work.
- In terms of workplans, the generic workplan has been outlined but the final workplan will need to be developed in conjunction with the working group leads.
- Tracey Austin will be available to facilitate a workshop with the Supply Side working group early on next year. The date would potentially be around the 15th of January. Tracey will be in Johannesburg and Cape Town for that week. There is general interest in having this workshop run with availability of the proposed working group members to be confirmed.

### **Governance Discussion**

- Three secretariat options can be considered going forward; working with the Bertha Centre, ASISA Foundation or standalone legal entities. Most other NABs have been voluntary association but the others are such as India and Australia have set up an independent structure
- 4 members (Tshediso, Heather, Taffy, Martie) expressed that the matter of what entity to approach is one that needs to be reevaluated over time and with consideration for emerging needs. 3 members expressed the desire to set up the stand-alone entity as soon as possible (Pat, Jon, Monique (in

absentia)). The chair expressed a preference to link to ASISA. A standalone entity is likely be the appropriate long-term approach, but a bridging period is likely in order.

- Fund raising for the GSG Summit 2020 is a factor and this conversation may need to be further aligned with potential sources of funding as well as timelines for receiving the contributions.

**Next steps**

- Consider options for working group leadership and relay to taskforce
- Reach out to working group members to gauge appetite and share dates for Q1 2019 (supply side group)
- A request was noted to communicate timings and dial in details further in advance of future meetings.