

RESPONSIBLE FINANCE FOR DIGITAL INCLUSION: INVESTING FOR IMPACT

Investor Forum

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Creating Markets, Creating Opportunities



RESPONSIBLE FINANCE FOR DIGITAL INCLUSION: INVESTING FOR IMPACT

Welcome and Overview



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SPTF Europe

- Opening of SPTF Europe asbl in February 2019
- Co-funded by Luxembourg Ministries of Development Cooperation and of Finance – 3 years budget
- Housed in the Maison de la Microfinance
- Main areas of responsibilities:
 - ✓ Coordination with Luxembourg service providers and European-based investors in inclusive finance
 - ✓ Outreach to larger impact investment initiatives
 - ✓ Engage with existing initiatives who coordinate policy makers and regulator community (AFI, GIZ, CGAP, GPFI)
 - ✓ Green Finance – US for responsible green finance
 - ✓ New areas for RFI – FinTech, SME + larger financial sector

The Social Investor Working Group (SIWG) is the most active working group of the SPTF

- A growing number of investors are joining and committing to our shared objectives - **~400 members from 133 organizations.**
- We work together to advance responsible investment in inclusive finance. Together, we:
 - ***Raise awareness and create ownership*** among investors of ongoing initiatives and developments in SPM and responsible investments
 - ***Identify areas of concern*** in responsible inclusive finance
 - ***Take collective action*** in areas where it can help the market develop in a positive and unified direction

Building on the 2018 SIWG meeting in Luxembourg

- SIWG held its mid-year meeting in June 2018 in Luxembourg, 60+ investor participants
- Investors identified the following new priorities for the group:
 1. Coordinating with impact investing initiatives, particularly related to **managing impact** and reporting on **SDGs**
 2. Better understanding what it means to make a responsible **FinTech** investment
 3. Better understanding how to help FSPs with **responsible digital transformation**

The group focuses on the following key priorities

- Alignment and **coordination with broader impact investing sector** (GIIN, IMP, UNPRI, WEF)
- **Responsible fintech and DFS investment** (client protection risks CDC-SPTF fintech webinar series, IFC/CDC/Goodwell Guidelines for Investing in Responsible DFS)
- Exchange on practices and create partnerships on **responsible digital transformation**
- Harmonizing SPM **due diligence and monitoring** through common tool of SPI4 ALINUS
- Assessing **S&E performance of SME finance**
- Other areas of priority: preventing **over-indebtedness** (guidelines, MIMOSA), **outcomes management**, **harmonizing covenants** (“reasonable covenants”), pricing transparency (**data platform**), and **responsible exits**

Thank you to our investor organizational members!



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Thank you to our collaborating partners!

