



Finance
in Common

The first global summit of Public Development Banks

Press release

The Global Impact Investing Network (GIIN) joins the Finance in Common Initiative

Paris, June 1st, 2021 - The Global Impact Investing Network (GIIN) enters the Finance in Common System (FiCS) by signing the [Joint Declaration of all Public Development Banks in the World](#). This new endorsement of the global coalition of PDBs formed last November highlights the need for collaboration between public and private investors.

A systemic transformation of the global economy towards sustainability is what the coalition of Public Development Banks (PDBs) has ignited at their first summit in November 2020. Likewise, investors are increasingly using the Sustainable Development Goals (SDGs) as a common reference point for their impact investments – that is, investments which intentionally generate positive, measurable social or environmental benefit alongside a financial return. The GIIN – a network of more than 35,000 individuals and more than 350 member organizations – is the global champion of impact investing, dedicated to increasing its scale and effectiveness around the world.

Based on a database of more than 1,700 impact investors, the GIIN estimates the size of the global impact investing market at US\$715 billion. Furthermore, the Covid-19 pandemic will likely accelerate investing trends focused on aligning capital with investments that aim to address the world's most pressing social and environmental problems. But the United Nations estimate that trillions of dollars more will be necessary to achieve the SDGs.

Private sector investments, including impact investments, can play a critical role in filling that gap. Impact investors' focus on contributing meaningful progress toward the world's most significant challenges – from global inequality to the climate emergency – highlights a new perspective on the power of investment capital.

Ensuring quality, rigor, and disclosure, avoiding SDG-washing (the risk that companies might be rewiring what they're already doing in the language of the SDGs) is where PDBs and private investors can meet. In their joint declaration, all PDBs commit to apply more stringent investment criteria, such as explicit policies to exit from coal financing, to promote a biodiversity-positive economy, social inclusiveness, and to apply internationally accepted norms and standards on environmental, social and governance, among others. The GIIN helps investors better understand the impact of their investments, including through IRIS+, the generally accepted system for measuring, managing, and optimizing impact. Strong impact measurement and management practices ensure that impact investment capital is delivering real world impact results.

With GIIN joining the FiCS, deeper public-private collaborations to achieve the above commitments will unfold, based on a common “sustainability language”, and SDG-aligned innovative tools, ranging blended finance, green, social and SDG bonds, and debt and equity instruments. These frontiers will be central to the second edition of the FiCS, later in 2021, during which all participants are determined to make the 2030 Agenda the new norm of the global financial system.

GIIN CEO Amit Bouri said: *If we are to achieve the SDGs and build toward the more inclusive, more sustainable world they envision, public and private investors must collaborate as never before. There is so much untapped potential that we can harness by working together, including opportunities where blended financing structures make possible investments that would otherwise be infeasible and impractical. By participating in FiCS2, the GIIN hopes to highlight the critical role of public-private cooperation in tackling the vast problems before us. The development challenges facing our world are too urgent for investors’ financial capital to underperform on impact.*

IDFC Chair Rémy Rioux said: *I am delighted that the Global Impact Investing Network (GIIN) enters the Finance in Common System (FiCS), only a few months after it was launched on November 12, 2020 when the 450 public development banks (PDBs) of the world gathered for the first time ever. GIIN’s endorsement of FiCS reflects the ability of the PDB Coalition to sustain a dialogue across the financial community and to contribute incentivizing and derisking the private sector to support the Paris Agreement and the UN Sustainable Development Goals (SDGs), as much as it provides evidence of investors’ ambition to encourage sustainable economies and markets, without compromising the environment or placing unfair burdens on societies. Align, align, align! This could be our motto for the crowding-in of sustainable development investments.*

Proparco’s CEO Grégory Clemente said: *Proparco supports the role of all actors along the investment chain to implement the 2030 Agenda. We believe that to steer economies on sustainable paths, long-term, quality investments are needed, as much as innovation for better social and environmental standards. It’s an ongoing process. With Proparco soon a member of the GIIN, we will engage even more in the debate on what it means for public and private actors to maximize the positive effects one’s actions have, and how economies, companies, employees, consumers, and the planet ultimately benefit from this SDG transformation.*

About the FiCS Initiative

The Finance in Common Summit was part of the FiCS initiative. The event was co-organized by the World Federation of Development Finance Institutions ([WFDI](http://www.wfdi.org)), the International Development Finance Club ([IDFC](http://www.idfc.org)) and the Islamic Development Bank Group, in its coordination role of all the MDBs, placed under the high patronage of Emmanuel Macron, President of the French Republic, and with the participation of UN Secretary-General António Guterres. It was convened by Agence française de développement ([AFD](http://www.afd.fr)) during the Paris Peace Forum. Its proceeds are available at: [www.financeincommon.org / outcomes](http://www.financeincommon.org/outcomes)

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About the GIIN

The Global Impact Investing Network (“GIIN”) is the global champion of impact investing, dedicated to increasing its scale and effectiveness around the world. Working with a global network of more than 35,000 individuals and more than 350 member organizations, the GIIN builds critical infrastructure and supports activities, education, and research that help accelerate the development of a coherent impact investing industry.

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About Proparco

Proparco is the private sector financing arm of Agence Française de Développement Group (AFD Group). It has been promoting sustainable economic, social and environmental development for over 40 years. Proparco provides funding and support to both businesses and financial institutions in Africa, Asia, Latin America and the Middle-East. Its action focuses on the key development sectors: infrastructure, mainly for renewable energies, agribusiness, financial institutions, health and education. Its operations aim to strengthen the contribution of private players to the achievement of the Sustainable Development Goals (SDGs) adopted by the international community in 2015. To this end, Proparco finances companies whose activity contributes to creating jobs and decent incomes, providing essential goods and services and combating climate change. For a World in Common. For further information: www.proparco.fr and [@Proparco](https://twitter.com/Proparco)

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