

GEARING UP FOR A DUTCH NATIONAL ADVISORY BOARD FOR IMPACT INVESTMENT

THE DUTCH PERSPECTIVE ON THE ROLE OF A NAB IN FURTHERING THE IMPACT INVESTMENT ECOSYSTEM



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EXECUTIVE SUMMARY

INTRODUCTION

The goal of this report is to bring together observations and findings from desk research and interviews with a variety of stakeholders of the impact investment field in the Netherlands to assess whether setting up a National Advisory Board in the Netherlands is of added value to the Dutch, but also global field of impact investment.

PROCESS

A feasibility study was set up in which 21 main actors in the Netherlands were interviewed either in person or via a call. The interviewees represented a variety of stakeholders of the impact investment ecosystem in the Netherlands. In addition, 5 international interviews were held in which the EU, Australian, Italian and UK NABs and the GSG itself were also asked for their views on the added value of a NAB, how to best set up a NAB and what the focus areas should be.

WHY A DUTCH NAB

The main goal of the Dutch NAB is to improve and shape the impact investment ecosystem in both the Netherlands and globally to reach the SDGs. According to Dutch stakeholders a Dutch NAB is able to reach this goal as it makes it possible to:

- ▶ Centralize efforts
- ▶ Create a common language, i.e. same definitions and standardizations and a similar understanding of what impact investments are
- ▶ Create a community with a local and global voice to be able to share expertise, lessons learned and best practices in a more formal way both with the national and international field
- ▶ Help the field share its successes but also its mistakes
- ▶ Bridge the current gap between impact enterprises and impact investors

WHAT THE CORE ACTIVITIES OF A DUTCH NAB SHOULD BE

Ecosystem development

- ▶ Strengthen and shape the Dutch impact investment ecosystem
- ▶ Bring together all stakeholders of the field

Policy making & advocacy

- ▶ Explore whether a central government unit is desirable
- ▶ Facilitate educational programmes and capacity building
- ▶ Together with government reflect more broadly on how money is spent, opportunities around outcomes-based commissioning, access to capital for impact businesses, and whether specific legislation is necessary

Innovation & attracting capital

- ▶ (institutional) Knowledge development, i.e. on risk assessment
- ▶ Set up a wholesale impact investment fund
- ▶ Set up a national outcomes fund

Research & standardisation

- ▶ Create shared definitions
- ▶ Create a common language and practices on impact management and measurement

WHAT THE SET UP AND GOVERNANCE OF A DUTCH NAB SHOULD LOOK LIKE

Dutch stakeholders are virtually unanimous regarding the set up and governance of a Dutch NAB, which should represent all stakeholders but have a relatively small rotating board, dedicated resources, agenda setting based on the needs of the impact investment field, and funding instead of membership fees. Moreover, since all interviewees agreed that the NAB should be more than just a discussion group, working groups chaired by one of the members of the board should be initiated. These working groups can then pick up on the different core themes of the NAB.

DESIGN PRINCIPLES

The following design principles follow from the views on the set-up and governance of a Dutch NAB:

- ▶ Representing and aligning every part of the impact economy
- ▶ Setting the agenda with a concrete action plan that is revisited on a yearly basis
- ▶ A chair with authority who can represent all major stakeholders in the ecosystem
- ▶ A fit-for-purpose governance structure, consisting of a rotating board complemented by working groups
- ▶ A dedicated team focused on execution and funded by core supporters

NEXT STEPS

There appears to be sufficient mandate and opportunity and, maybe most importantly, added value to the Dutch impact investment field to set up a Dutch NAB. As such we would advise to start with the implementation of the NAB as soon as possible following the design principles as set out above. We recommend to start with the following next steps:

- ▶ Appoint a chair and form a board
- ▶ Identify funding opportunities and possible partnerships
- ▶ Form a dedicated team and identify whether a core stakeholder is willing to take this up

CONCLUSION

Based on this study, but also the observations in the wider (international) ecosystem, there is significant momentum to further grow the movement of impact investment. Now is a crucial time to move forward in order to reach the SDGs. Therefore, we believe that we should leverage this to further shape the ecosystem in the Netherlands and create more impact together, by setting up a Dutch National Advisory Board for Impact Investment.

INTRODUCTION

Over the next 12 years, \$2.5 trillion annually in funding and countless innovative solutions are needed to reach the UN Sustainable Development Goals in developing countries alone. Similarly, for the next 30 years there is about \$3.5 trillion a year needed to combat climate change.¹ To mobilise these amounts, we will need to bring together all parts of the system, from investors to entrepreneurs and from government to professional service companies. This can only be achieved under the simple and unifying principle that it is the collective responsibility of all actors in society to be aware of their effects on people and the planet to prevent negative externalities and increase positive impact. This is in line with the impact management principle which states that *an impact economy necessitates that measurement of social and environmental impact is integrated in all economic activity and is central to government policy, business operations, investor behaviour, and consumer consumption.*² The sector of impact investment is the frontier of this movement through its inherent focus on delivering social impact and by involving all stakeholders on both a local and global level. What is clear, moreover, is that the next five years will be crucial to reach the SDGs, creating the urgency to act now and scale the impact investment sector.

Impact investment optimizes risk, return and impact to benefit people and the planet. Specific social and environmental objectives are set alongside financial ones and achievements are measured. Impact management is a critical practice to reach this potential. In the Netherlands, we have seen the sector of impact investment and impact enterprises making successful steps forward. Great examples of this are the pension funds committing themselves to the SDGs, the development of several Social Impact Bonds, impact entrepreneurship showing extraordinary growth, a market leading set of investors in development and conservation and key stakeholders who increasingly focus on delivering positive social outcomes, while making financial investments. However, we are not nearly where we would like to be.

All actors we have had contact with during the current study acknowledged that, although the Netherlands is relatively well developed when it comes to impact investment, there is still a lot of progress to be made. However, it is also recognized that the country is well positioned to do so. Concrete initiatives are available that can contribute to the development of the impact investment sector itself and to deliver social impact at scale, in the Netherlands as well as abroad. There are opportunities to create a better match between supply and demand of impact capital, so that promising social initiatives both in the Netherlands and in developing markets have more opportunities to scale. Or to create innovative capital structures, for instance through the development of a wholesale impact investment fund. At the same time, there are openings to key initiatives in legislation to create more favourable situations for social enterprises. Finally, there are also many developments taking place internationally from which the Dutch impact investment field can learn and take over best practices. Conversely, the Netherlands can also bring a lot to the global impact investment field. There is excitement in all separate parts of the ecosystem and there is now a possibility to bring those different parts of the field together to enable the adaptation of a common language, definitions and opportunities that allow the impact investment sector to develop further.

Internationally we see a global movement led by the Global Steering Group (GSG) for Impact Investment to catalyze impact investment with the goal of creating a better environment for people and the planet.

¹ See also the GSG working group report: *Investing for a Better World: Strengthening the Financial Services Value Chain to Meet the Sustainable Development Goals*, 2018

² This principle is based on widespread international consensus achieved under the Impact Management Project

³ Important to note in this is that social impact encompasses impact in both the social and environmental domains

Through this movement, 21 countries (and the EU) have developed National Advisory Boards (NABs), that can spur innovation for the field of impact investment in their individual countries, while sharing knowledge and lessons learned to leverage local successes globally. These NABs bring all stakeholders and aspects of the field together for the development of the field. Best practices vary from policy making successes (i.e. in the USA) to leveraging the local success of Big Society Capital to Japan and South Korea, where similar wholesale impact investment funds are being created.

The Netherlands has been a global leader and pioneer in impact entrepreneurship and impact investment. Many Dutch stakeholders are not only active on a local level but also on a global level. However, a more coherent (inter) national ecosystem for sustainable finance that brings together all stakeholders and the investment value chain is critical. Although Dutch actors are part of many initiatives, both locally and globally, the Netherlands is not represented in the GSG, missing out on the resources, knowledge exchange and exposure that this global impact investment platform offers. Moreover, the number of countries that are setting up or already have a NAB is growing rapidly and developing countries are now joining as well. Besides the fact that multiple Dutch actors are currently investing in these countries, the Netherlands will have, via a NAB, a more favourable position to exchange knowledge and help these countries establish and shape strong impact investment ecosystems. As such, based on the Dutch context and the international movement, there appears to be a significant opportunity for the Netherlands to become part of the GSG by setting up a National Advisory Board for Impact Investment.

THE GSG

The Global Steering Group for Impact Investment (GSG) is an independent global steering group catalysing impact investment and entrepreneurship to benefit people and the planet. The GSG was established in August 2015 as the successor to, and incorporating the work of, the Social Impact Investment Taskforce established under the UK's presidency of the G8. Each of the 21 participating countries has established a National Advisory Board (NAB) as the key mechanism to further social entrepreneurship and impact investing.

See also www.gsgii.org

“When you want to make a real difference in a constructive manner, you usually end up with impact investments”

A Dutch NAB could play a catalytic role in advancing impact investment on a local and global level, assert Dutch leadership globally, and bring a united voice to both local and global agendas. Nevertheless, it should also be mentioned that the Netherlands already has a rich impact investment community with many working groups and initiatives focusing on impact investment. In this report we explore, based on interviews held

with a variety of stakeholders of the Dutch impact investment field, the potential added value of a Dutch NAB and see what the NAB's positioning could be in relation to the Dutch impact investment ecosystem and the already existing initiatives and working groups. This report is therefore an account of the views and opinions of the interviewees, but also an overview in which the current state of the (Dutch) impact investment ecosystem is explored from which conclusions can be drawn with regards to the added value a Dutch NAB can bring.

REFLECTIONS FROM INTERNATIONAL NABS THAT ARE LEADING THE WAY

Currently 21 countries and the EU have established a NAB (see Figure 1), covering an increasingly wide range of the world and markets. This is shown by the recent addition of NABs in Bangladesh, Chile, New Zealand and South Africa. While some have been established more recently, others have been around much longer, such as the UK NAB which is currently in its fifth year of operations. This provides us with some important lessons on how a NAB can be most effective, as well as best practices of initiatives that NABs have pushed forward and their outcomes.

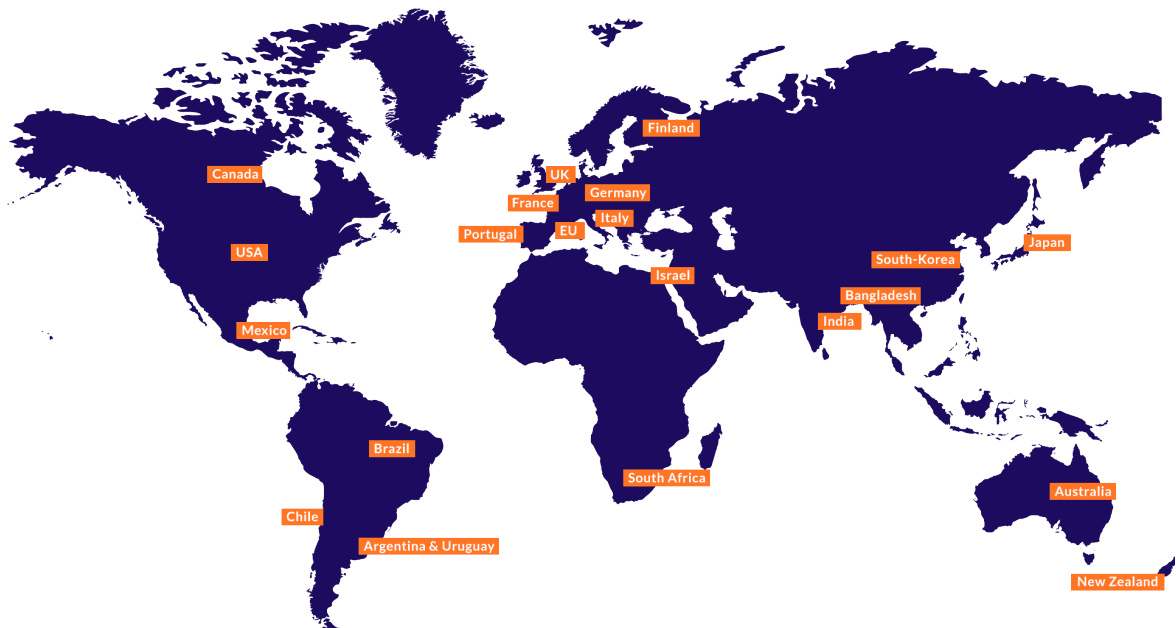


Figure 1 The 21 countries + EU that have a NAB

A valuable characteristic of the overarching role of the GSG and the more specific roles that NABs have is that examples of initiatives and actions that transcend specific national needs can be found, but local needs are addressed as well. This has led to several examples where best practices in one country have led to wider adoption. Such as the implementation of an impact investor wholesaler (i.e. Big Society Capital, funded through dormant bank accounts) has now supported the creation of similar funds by the NABs in Portugal (€150m), Japan (\$500m/year) and South Korea (size not yet known), as well as progress in several countries on this topic. But also resources that focus on the policy tools that countries have available to facilitate the impact investment ecosystem and how they are used. Finally, there has been a general push towards the adoption of best practices in impact measurement, leading to the adoption of the Impact Management Project, initially developed by Bridges Ventures, but now also used by the NABs. In September this has moreover led to a partnership with the United Nations Development programme (UNDP) for the project.

Locally there are several examples of successful initiatives. We have seen significant progress in different NABs around policy making, most prominently by an adjustment of the ERISA regulation in the USA, the adoption of a government-driven taskforce on impact investments in the UK. The participation of the European Commission itself in the EU NAB is a sign of the clear role and opportunity for policy making of NABs. Other examples can be found in Table 1.

“Once we can start to team up with the UK and Germany, we can start to make real progress towards the SDGs on a more Global scale”

Quote from Dutch interview

“The UK impact investment sector is what I would look at most, when I am looking for international collaboration”

Quote from Dutch interview

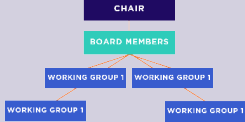
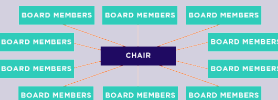

Table 1 Examples of outcomes of international NABs

NAB COUNTRY (ESTABLISHED)	EXAMPLE OUTCOMES
AUSTRALIA (2013)	<ul style="list-style-type: none"> AUD \$7.5M Sector Readiness Fund with capacity building grants allocated AUD \$6.7M allocated to standardise outcomes measurement across the country
CANADA (2013)	<ul style="list-style-type: none"> Change in charity laws so that charities can invest in impact businesses Creation of a Federal Impact and Innovation Unit to advise federal department on outcomes-based approaches
FRANCE (2013)	<ul style="list-style-type: none"> Launch of a €50M seed-fund combined with coaching for c.150 impact businesses Launch of the French Impact Strategy by central government, to further strengthen the demand side
GERMANY (2013)	<ul style="list-style-type: none"> Through its development banks, impact businesses (specifically in India and Africa) have been supported with financing and capacity building
UNITED KINGDOM (2013)	<ul style="list-style-type: none"> Social Investment Tax Relief for social organisations and The Community Investment Tax Relief for CDFIs provide fiscal incentives for investing in impact businesses Launch of Big Society Capital by unlocking Dormant Bank Accounts (£400M) and loans from Britain's four biggest banks (£200M)
UNITED STATES OF AMERICA (2013)	<ul style="list-style-type: none"> Several regulatory initiatives have been deployed to provide guidance to pension funds to engage in impact investment The BUILD Act was passed with bipartisan support to spur \$100 Bn in new (private sector) investments in emerging markets, using blended finance
INDIA (2014)	<ul style="list-style-type: none"> Launch of two \$1Bn outcomes funds
ITALY (2014)	<ul style="list-style-type: none"> Creation of a legal form for Social Enterprises that allows for for-profit and not-for-profit entities Experimentation with procurement from companies providing social value, with a local authority looking at dedicating 10% of its procurement from public utility companies to social value
JAPAN (2014)	<ul style="list-style-type: none"> Unlocked \$500M per annum in dormant bank accounts for a wholesale impact investment body Social Impact Bonds have become part of key policy framework in Japan's economic growth strategy
PORTUGAL (2014)	<ul style="list-style-type: none"> €150 million wholesale impact intermediary, providing funding for capacity building, outcomes payments and (in)direct investments to the sector Establishment of a dedicated unit for impact investment within central government
BRAZIL (2015)	<ul style="list-style-type: none"> Implementation of a national strategy for impact investment that has been approved by both government and private sector Central regulation requires pension funds to report on how they work towards the ESG standards and all listed companies to report on their sustainability activities
FINLAND (2015)	<ul style="list-style-type: none"> Government has adopted a focus on impact bonds and outcomes-based commissioning
MEXICO (2015)	<ul style="list-style-type: none"> The National Institute of Entrepreneurship, operated by the Ministry of Economics, provides capital to impact investing as well as private equity and venture capital
ISRAEL (2016)	<ul style="list-style-type: none"> Institutional investors have been compelled by the Commissioner to publish their ESG and impact investment policies as of 2019
ARGENTINA & URUGUAY (2016)	<ul style="list-style-type: none"> Standardisation of impact management at the central government level through the adoption of the Impact Management Project \$172M fund has been launched to invest in Venture Capital Funds and incubators that comply with ESG or UNPRI standards
THE EUROPEAN UNION (2017)	<ul style="list-style-type: none"> €243M fund of funds with the Social Impact Accelerator, investing throughout Europe Deployment and development of the Employment and Social Innovation (EASI) programme and the European Fund for Strategic Investments (EFSI) to address the market gaps in impact investing in Europe
CHILE (2018)	<ul style="list-style-type: none"> A Social Impact Bond Fund has been included in the presidential programme of the new government
SOUTH AFRICA (2018)	<ul style="list-style-type: none"> New procurement regulation has been adopted which will make governmental departments buy a minimum of 30% of their services in relevant categories from SMEs, cooperatives, townships and rural enterprises, which expects to see quite some impact businesses
SOUTH KOREA (2018)	<ul style="list-style-type: none"> \$120m per annum commitment to establish a wholesale impact investment body Partnership between central government and the credit union to offer social enterprises a credit guarantee at reduced interest rates

A final point to touch upon in the broader context is that of the international development of the GSG and its expansion towards additional countries. Most NABs are currently based in developed markets, but with the expansion of the GSG, developing markets are starting to join. For example, in 2018 both South Africa and Bangladesh have established a NAB. This adds an additional aspect to the international collaboration as this creates an increased opportunity to support these countries in setting up effective mechanisms that support both financial and social developments. Also, this broadens the opportunity for developed markets to take up additional responsibilities as often institutional impact investment parties are financing significant volumes in those developing markets. This also brings another incentive, to create a NAB in countries that are pioneers in this field, such as the Netherlands.

“There is a responsibility for developed (impact investment) markets to support developing markets in the process of adopting impact investments, especially if so many of their stakeholders are engaging in work within these developing markets”

Internationally we see a large variety of setups of both governance and funding of NABs. While it is not exhaustive, we’ve distilled three forms that we have seen in use more often and are elaborated on below in Table 2. Broadly we see two different models where the NAB is a new platform and a third model where it is adopted by an existing working group (e.g. one of the groups mentioned in the Appendix), or an existing platform, such as the GIIN.

	MODEL 1	MODEL 2	MODEL 3
WORKINGS			
CHARACTERISTICS	<ul style="list-style-type: none"> Limited Board size Working groups with additional participants 	<ul style="list-style-type: none"> Unlimited Board size Working groups within Board Potentially executive committee 	<ul style="list-style-type: none"> No separate NAB, part of existing working group or platform Staff is deployed by existing organisation
EXAMPLE COUNTRY	UK	France	India
FUNDING REQUIREMENTS	High	Medium-High	Low-Medium
PROS GIVEN	<ul style="list-style-type: none"> Adaptable to different circumstances Clear decision-making process 	<ul style="list-style-type: none"> Inclusiveness Broad mandate 	<ul style="list-style-type: none"> Alignment with existing initiatives Efforts can be scaled
CONSIDERATIONS GIVEN	<ul style="list-style-type: none"> Less inclusive Risk of lower participation from field 	<ul style="list-style-type: none"> Bureaucratic Board/process Harder to identify focus points 	<ul style="list-style-type: none"> Risk of representing only parts of the field Will it bring additional value?

The different organisational models also have their own funding requirements. Most NABs use a separate entity that can operate as an individual organisation, which has separate funding structures and can host a dedicated team. Examples where this has not been done in such a way, as in Finland, Italy, Israel and Portugal, are where the staff has been adopted by existing organisations. However, every country

operates with a dedicated team that is small (mostly 1-3 FTE), which is deemed essential for its progress. Internationally we see a large variety of forms that are used to fund the NAB. Broadly we see the following options:

- ▶ A full membership model (e.g. India)
- ▶ A full philanthropic model (e.g. UK, Germany)
- ▶ Fully government funded (e.g. Finland)
- ▶ Various hybrid systems such as:
 - Combination of government and other income (Australia)
 - Combination of philanthropy and membership (Italy)

REFLECTIONS FROM THE DUTCH FIELD

WHY A DUTCH NAB

Interviewees largely agreed that more collaborative efforts are needed to further the ecosystem. To reach the SDGs, impact(ful) enterprises need to be able to scale and more capital needs to flow towards positive social impact. All parts of the ecosystem are needed to work together, but it is recognised that this is not happening. It appears that a global ecosystem is necessary, which can only be achieved when different local and national platforms come together on a global level. A NAB is a means to do so as it is the **local** platform that is part of a **global**

“One benefit of the NAB is that it brings with it the opportunity to learn from each other internationally”

community. The interviewees agree with this notion and see the benefits of working together with other countries to develop the impact investment field internationally. To be able to take the most out of the international best practices and lessons learned, a Dutch NAB is seen as beneficial. Also, it would be an easier and more coherent way of adding Dutch lessons learned and best practices to the international impact investment ecosystem.

In addition, according to most interviewees it is still the case that no one clear definition of impact investment exists and that, due to this, different views are held by different groups of stakeholders on what exactly is meant by impact investment and when real impact is made. Due to the local and global context and sharing of knowledge, a NAB is able to dive deeper and answer questions such as what really is impact and how do we measure this, when is impact really made, and what works best to have impact included in all investment decisions. A Dutch NAB can help standardise definitions. Creating a similar understanding of what impact investments exactly are and how to best work together to make the biggest impact.

“There is still a need to bring together government, investors, research, impact enterprises and other stakeholders in the field”

“The NAB should have an overarching role bringing all stakeholders together”

Finally, many interviewees mentioned that the NAB can help the field share its successes but also its mistakes so that all stakeholders can learn and benefit. Challenging the field to continuously improve itself and do better. The impact investment ecosystem in the Netherlands is already fairly developed, which makes the NAB the perfect initiative to further shape the ecosystem and, together with all stakeholders, reach the SDGs. There was, however, also consistency in responses expressing a desire that the NAB not become yet another ‘discussion group’, but an action-oriented initiative.

The Dutch NAB thus has an overarching role to centralize efforts and create a common language. It brings together different perspectives of local and global stakeholders, thereby creating this one common language, and a community with a local and global voice. This makes it possible to focus on the overall main goal of creating more impact worldwide for people and the planet. Figure 2 gives an overview of why a Dutch NAB can be beneficial to reach this main overarching goal.

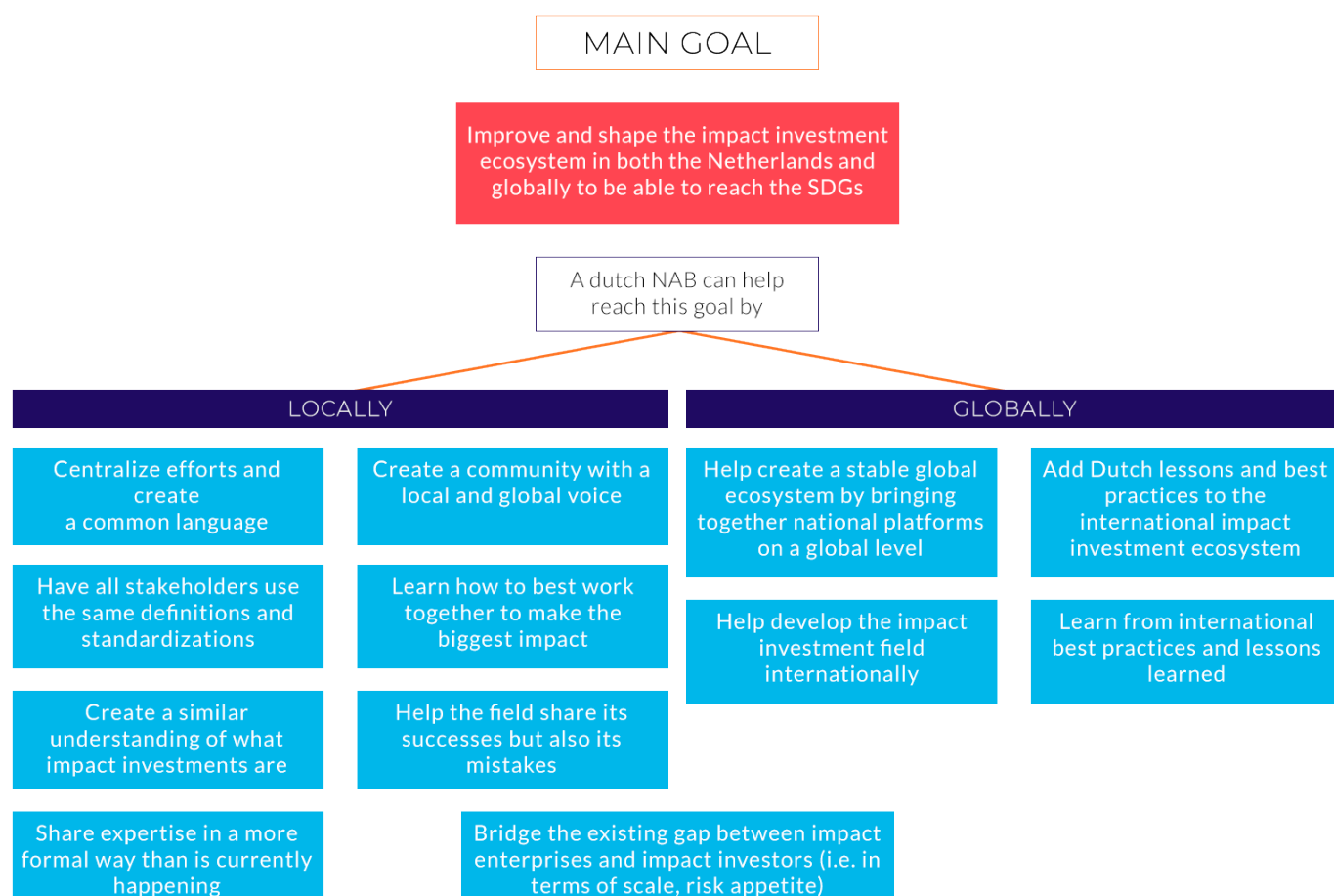


Figure 2 An overview of why a NAB can be beneficial based on the answers from the interviewees

WHAT THE CORE ACTIVITIES OF A DUTCH NAB SHOULD BE

In all meetings interviewees talked about the activities and themes a NAB should ultimately focus on. In almost every interview this was a significant part of the conversation, stressing the importance for all involved on the matter of action in a NAB, and most interviewees mentioned this explicitly on multiple occasions. In general, the interviewees seem to agree that the NAB should focus on mobilising more suitable impact investment capital, stimulating the right policy decisions and identifying and adopting standards and definitions from the global impact investment field.

“The NAB is the right initiative to be one of the main driving forces for innovation in the field of impact investments”

From the outset, it should be clear that the NAB aims to deliver output.

The definition of what this output should be, however, is not the same for every interviewee. From an investor’s perspective, the creation of more investment opportunities with impact is one of the desired outcomes. Nonetheless, it was also stated that it will be hard to create causal links between the NAB and its objectives. Therefore, an important step needs to be taken to ensure that the work of a NAB deepens the field and contributes to the creation of more impact investment opportunities.

Beforehand, we identified several themes of potential activities and during the interviews we tested these, which has led to a broad range of ideas on the topic. Table 3 gives an overview of these themes and whether the theme should or should not be something the NAB should see as one of its core activities. The interviews made clear that stakeholders have widely varying priorities for themselves and for the field. This is illustrated by the fact that no one theme was unanimously seen as an activity the NAB should not focus on. However, based on the overall trends we have identified key areas the NAB should prioritise.

Table 3 Themes and core activities of a Dutch NAB

THEME	ADVANTAGES	CONSIDERATIONS	OVERALL JUDGEMENT: CORE ACTIVITY OF THE NAB?
ECOSYSTEM DEVELOPMENT	<ul style="list-style-type: none"> Strengthening and shaping the Dutch impact investment ecosystem Bring together all stakeholders 	<ul style="list-style-type: none"> The NAB should not be another discussion group It is not so much about developing the ecosystem, but shaping it 	Yes
POLICY MAKING & ADVOCACY	<ul style="list-style-type: none"> Stimulate the right policy decisions to facilitate impact investments better 	<ul style="list-style-type: none"> Actions that come from this should be market driven and not policy driven 	Yes
RESEARCH & STANDARDISATION	<ul style="list-style-type: none"> Identify and adopt initiatives and standards that can contribute to the creation of clear definitions and standards for all organisations in the impact investment sector 	<ul style="list-style-type: none"> A lot of work is been done on this topic outside the NAB. The focus should not be to create extra initiatives but to aggregate external knowledge 	Yes
NETWORKING & CONNECTING	<ul style="list-style-type: none"> Community building connecting all stakeholder groups 	<ul style="list-style-type: none"> Important, but also something that, according to the interviewees, is already happening a lot 	No
LEARNING & DEVELOPMENT	<ul style="list-style-type: none"> Sharing and collaboration both nationally and internationally 	<ul style="list-style-type: none"> Is seen as embedded in pursuing the other activities and will as such always take place Other groups such as the GIIN have already strongly developed this feature 	No
INNOVATION & ATTRACTING CAPITAL	<ul style="list-style-type: none"> More and better capital for impact investments for and by Dutch stakeholders 	<ul style="list-style-type: none"> According to almost all interviewees, it is not the case that there is not enough capital, but that the difficulty lies in matching capital to opportunities 	Yes

Based on the identified priorities, three topics will be discussed more in-depth in the next sections:

- ▶ Stimulate the right policy decisions to facilitate impact investments better
- ▶ Innovative capital structures are required for a better flow of capital to impact investment opportunities
- ▶ Identify and adopt initiatives and standards that can contribute to the creation of clear definitions and standards for all organisations in the impact investment sector

Finally, there is the clear point of strengthening and shaping the impact investment ecosystem in the Netherlands and the role a NAB can play in this. Since this was already extensively touched upon in earlier sections and mainly in the section of why a Dutch NAB is valuable, we will not go into this further here.

STIMULATE THE RIGHT POLICY DECISIONS TO FACILITATE IMPACT INVESTMENTS BETTER

From the interviews it became clear that stimulating the right policy decisions is seen as an important action for the NAB. Although not every interviewee agreed with this notion, this does also correspond with how the GSG sees the role of the government and the relation between the government and other stakeholders in the field. Not all interviewees were able to address specific actions, therefore we combine lessons from the interviews and the international field to identify potential initiatives.

Government can create organisations and systems that enable and educate on impact in its role as **market facilitator**. It can also support the impact investment ecosystem through the commissioning and procurement of impact products and services as a **market participant**. Finally, as a **market regulator**, government can implement laws that build support and recognition for the impact ecosystem. Within these three roles there are some policy areas⁴ that are key in order to catalyse the impact ecosystem. There seem to be a number of areas that are picked up first by countries that have established a NAB, which are also interesting for the further development of the Dutch impact investment ecosystem and in which a Dutch NAB can play a role.

Market facilitator

It appears that the majority of countries with more mature impact investment markets have chosen to have central government units, which facilitate the adoption of more of the policy tools and aid the development of the ecosystem. In the Netherlands the government does not have such a central government unit. One of the focus points for a Dutch NAB could be to explore the need for such a unit. In addition, as impact investment becomes a larger market in the country, educational programmes are implemented. These programmes help to broaden the ecosystem and deepen knowledge of the sector. Also on this topic there does not seem to be a whole lot of activity in the Netherlands, although more seems to be happening at local and regional government bodies. Finally, capacity building should be one of the foundational tools that government facilitates and the importance of creating opportunities for investment is recognised by multiple countries. Also in the Netherlands this is widely acknowledged and the NAB could have a facilitatory role in this.

Market participant & Market regulator

The role of government as market participant and regulator seems to be somewhat more developed in the Netherlands. Several outcomes-based commissioning projects such as Social Impact Bonds have been developed or are currently in development with central government, municipalities and the provinces. The importance of incorporating impact into procurement also appears to be acknowledged by Dutch government. The NAB can play a role in this to, together with government, reflect more broadly on the way government spends its money and on opportunities around pay for success or outcomes-based commissioning. Other areas of attention could include access to capital for impact businesses and exploring the need for specific legislation. Many countries are in the process of passing legislation with regards to the establishment of a specific legal form for social enterprises and impact businesses. A topic that is also currently debated in the Netherlands and in which the NAB can be of importance.

SUGGESTED POLICY RELATED ACTIONS FOR A DUTCH NAB

- 1) Explore whether a central government unit is desirable
- 2) Facilitate educational programmes and capacity building
- 3) Together with government reflect more broadly on how money is spent, opportunities around outcomes-based commissioning, access to capital for impact businesses, and whether specific legislation is necessary

Between the different interviewees opinions on the involvement of government and a focus on policy making and advocacy varied. While some stated the risk of becoming more of a discussion group through such a focus, others identified it as a top priority. What is clear is that to create the capital structures needed as identified in the next paragraph, government and policy making will always play a crucial part. Policy making

⁴ The GSG working group that focused on the role of government in the impact investment ecosystem has identified 15 key policy areas that form a toolbox for policy making. See the GSG report: *Catalyzing an Impact Investment Ecosystem: A policymaker's Toolkit*, October 2018

has a broader focus than just the public sector and should clearly also address the private sector directly. The private sector can benefit from an increased focus on policy making and clear-cut decision making on impact investment. By bringing together all different sides of the sector, it automatically creates an enabling environment and a platform that can leverage the existing knowledge and make clear what is needed to expand and shape the Dutch impact investment ecosystem.

INNOVATIVE CAPITAL STRUCTURES ARE REQUIRED FOR A BETTER FLOW OF CAPITAL TO IMPACT INVESTMENT OPPORTUNITIES

In its core, being able to allocate more capital towards impact investments and to scale successful impact enterprises is seen as an important task the sector faces. Not surprisingly, this also aligns with the objectives of most organisations in the impact investment sector. Responses on what needs to be done came broadly in two flavours:

- ▶ The NAB should focus on creating more opportunities to invest in. How can we ensure that we can allocate more (of our) capital towards impact investments?
- ▶ The NAB should focus on creating more capital structures that are able to invest in the broadly varying opportunities that are in the impact investment sector. How can we get those forms of capital present in this sector?

While the two lines take very different standpoints, in the end it is broadly acknowledged by the interviewees that there is not a lack of capital, nor is there a lack of opportunities. However, it has proven difficult to match capital to opportunities and herein lies the crucial next step that is needed for the impact investment sector. There is a need to create and intermediate the right capital structures and investment opportunities across all sizes, themes and countries.

Knowledge of impact investment

A NAB could support the knowledge development on impact investment. While this is something to address, this is also already clearly covered by several existing groups and is therefore not a likely key priority for a

“The link between the demand side of capital and the supply side is still relatively underdeveloped in the Netherlands”

Dutch NAB. However, from an institutional perspective, it became apparent that it is not always clear what the risk profile of impact investments are and, maybe even more crucially, how actors can more appropriately assess risk in this field, which leads to an increased threshold for investing in impact investment opportunities. The creation of a platform where a frank discussion around investment risks in impact investments is talked about, and where common ground can be found based on existing expertise that is already present on this topic in the Netherlands, is seen as a significant step forwards for the sector and this specific topic could become part of the NAB.

Addressing the capital need and deployment

There is a clear discussion around the topic of scale. While we have a relatively well-developed impact investment ecosystem in the Netherlands, progress is predominantly made on the institutional side and on the smaller local scale. Typically, this leads to actors that only work with ticket sizes of €50+ million, or actors that work with ticket sizes below €1 million. There is a clear gap between the two, which should be addressed to take the next step towards maturation of the Dutch ecosystem.

SUGGESTED CAPITAL RELATED ACTIONS FOR A DUTCH NAB

- 1) (institutional) Knowledge development, i.e. on risk assessment
- 2) Set up a wholesale impact investment fund
- 3) Set up a national outcomes fund

Several opportunities were discussed and are seen internationally through other NABs as well. First, many interviewees see an opportunity in the wider adoption of an impact investment wholesaler, potentially funded by unlocking dormant bank accounts. This could create a flexible pool of capital that can draw in additional private capital to the sector for specific gaps in the market, both in scale and theme. Moreover, as seen in the deployment in Portugal and Japan, this could also lead to possibilities to blend capital by utilizing grant or outcomes funding, or creating pockets for both debt and equity. Several interviewees suggested the exploration of such a fund, combined with that of unlocking dormant bank accounts. The latter is potentially a long-term process and while interviewees believe the market has matured, it should also be mentioned that an early exploration for this has been commissioned by the central government⁵.

A larger trend that we see internationally, through the GSG, is also that of the creation of large scale outcomes funds. Various \$1 billion outcomes funds are currently in development⁶ and the advantage of such a fund is that by creating income for impact businesses through paying for outcomes, it lowers the threshold for investors to step in, enabling the growth of those businesses and the accessibility to investment opportunities for impact investors. The Netherlands has yet to launch such a fund, where other countries have experimented with this already, although the first initiative on a regional level is being developed now.

IDENTIFY AND ADOPT INITIATIVES AND STANDARDS THAT CAN CONTRIBUTE TO THE CREATION OF CLEAR DEFINITIONS AND STANDARDS FOR ALL ORGANISATIONS IN THE IMPACT INVESTMENT SECTOR

The final theme that was discussed in almost every interview and which has also already come up in earlier sections, is that of research and standardisation. There appears to be a need to create clear definitions and standards for the impact investment sector with a focus on ethics, investments, and measurement,

“We can learn a lot from international best practices concerning standardisation, definitions and measurement”

to allow more mainstream actors to enter this space. This need is identified across the board and around the globe. Enough (maybe too many) initiatives already exist to make progress on these aspects. The opportunity for the NAB is therefore not to create new initiatives, standards or definitions, but to leverage the broad ecosystem in identifying those definitions and standards that are best applicable. This implies that the NAB will not in itself focus on knowledge creation, but that the goal will be to bring together all the knowledge and initiatives that already

exist locally and globally and to create one framework that can be shared with (and thereafter used by) all stakeholders in the Netherlands. Creating shared definitions of impact, impact investment, social enterprises, etc. that can be adopted regardless of the part of the field a stakeholder is in. An example of a best practice is the Impact Management Project⁷ that is now adopted by the GSG for the management and measuring of impact.

SUGGESTED STANDARDISATION RELATED ACTIONS FOR A DUTCH NAB

- 1) Create shared definitions
- 2) Create common language and practices on impact management and measurement

⁵ Samen maatschappelijke impact financieren, Twynstra Gudde, 2016

⁶ <https://www.pioneerspost.com/news-views/20181014/world-leaders-impact-investment-meet-new-delhi-30-trillion-mission>

⁷ See <https://impactmanagementproject.com/>

WHAT THE SET-UP AND GOVERNANCE OF A DUTCH NAB SHOULD LOOK LIKE

One of the questions the interviewees were asked is how they would position a Dutch NAB based on a few inclusion and exclusion criteria. Most answers pointed in similar directions, regardless of the specific topic at hand.



Most interviewees agreed that all relevant stakeholders should be included in the NAB. Most also agreed that the NAB should have a relatively small board to get things started and set the initial agenda and priorities of the NAB. Everyone agreed that the NAB should focus on getting to action and be more than just a discussion group. Some interviewees mentioned working groups that could be initiated to further develop the NAB's core activities.



Although some of the bigger institutions seem to be willing to pay if they join the NAB, many interviewees mentioned that this would not be possible for them. As such, funding and/or subsidies have to be found to finance the NAB. Another option, also mentioned by a few interviewees, is to partner with other institutions and get (a part) of the necessary funding in this way.



Similar to the funding of the NAB, as an answer to the question whether the NAB should or should not have dedicated resources in the shape of, for example, a dedicated team, all interviewees answered that they thought dedicated resources will be necessary to actually get things done. It is one thing to discuss the core activities and themes of the NAB, it is another to actually pursue these and get to action. All interviewees found that a dedicated team would be necessary for this. Opinions were divided on whether the team should stand alone or be affiliated with an institution. Obviously, how the NAB is funded plays a big role in this.



Most of the interviewees felt that setting the agenda for the NAB and focusing on core activities such as discussed above would be the best way to make the NAB more than just a discussion group and really get to action. Importantly, the agenda and the core activities should represent what is most needed in the field at that point in time. As such, the core activities should be revised periodically to really reflect the field's needs.

DESIGNING A DUTCH NAB

From the outcomes of the interviews, we've distilled five design principles based on which a NAB could be set up.

Design principle 1: Representing and aligning every part of the impact economy

From the interviews it became clear that the NAB should represent a wide range of stakeholders. Supply of capital, demand for capital, government and regulation, intermediation of capital and market builders and professional services, should all be represented in the NAB. This view reflects how current NABs have set up their stakeholder involvement and also means that a NAB should have a mandate for, and involvement by, all aspects of the field of impact investments and not just the financial sector. As such, impact enterprises, NGOs, government and professional services, but also the whole range of the finance spectrum from philanthropy to institutional should be included and involved with the NAB. This is also one of the main aspects of the NAB that sets it apart from other already existing initiatives, working groups and member associations as it brings together and reflects the needs and wishes of all stakeholders of the field. For this it should also seek alignment nationally with other platforms such as the GIIN and EVPA. Both have expressed interest in doing so. In addition, it is important that the NAB is a leading platform in more than just impact investment and therefore the Board should be well balanced in terms of gender, age, background and race.

"The NAB's effectiveness and relevance increases with the number of involved stakeholders"

The main focus of the NAB should be to not only represent but also align all stakeholders within the impact investment field to create one common language and standard. Although there are already many working groups that focus on similar themes as the NAB would, there does not seem to be one working group that brings together all aspects and needs of the field. The NAB could fill this gap and pick up the actions that are not covered by other working groups, such as for example the need to create one unified voice towards politics and policy making. See also previous sections and the appendix for a more extensive overview of already existing initiatives and working groups in the Netherlands.

When asked whether the interviewees would join and possibly play an active role in the NAB many answered that this very much depended on whether the topics that are addressed by the Dutch NAB are relevant for them. Many interviewees and stakeholders are already involved in other working groups and boards and the NAB needs to add something new to be relevant. For none of the interviewees the presence or absence of certain stakeholders was mentioned as relevant in their decision to join the NAB.

"The NAB should have a certain degree of scale and impact to be worth joining"

Design Principle 2: Setting the agenda with a concrete action plan that is revisited on a yearly basis

As is also already mentioned before, the NAB should be more than just a discussion group. As such, an action plan is needed. In previous sections we have given some concrete examples on what these actions could look like. Every 12 months a concrete action plan should be determined by the board. Working groups are set up based on the actions from this plan⁸. The three core activities discussed in this paper are to stimulate the right policy decisions, create better capital for impact investments and identify and adopt initiatives and standards that can contribute to the creation of clear definitions and standards for all organisations in the impact investment sector. The first working groups of the Dutch NAB could focus on these concrete actions.

⁸ It is, of course, possible to have actions and working groups that take more than 12 months.

Design principle 3: A chair with authority who can represent all major stakeholders in the ecosystem

A chair who is seen as one of the main and most important actors in the impact investment field in the Netherlands and who has the authority to bring together the main stakeholders should be appointed. This did not only become clear during the interviews, but is also what the GSG advises and how the other currently existing NABs have set up their governance. The chair would function as a place where all voices come together to be able to make a strong point towards the Dutch, but also international impact investment field. Importantly, the chair should have this authority without polarising the NAB too much as the NAB should represent all views and opinions of the field. Moreover, as also mentioned previously, the choice of chair depends on the focus areas that the NAB will have. These will, most certainly, change over the years and it is therefore seen as beneficial that there is a fixed term for the chair. Separate to this report we have compiled a list of possible chairs mentioned during the interviews.

Design principle 4: A fit-for-purpose governance structure consisting of a rotating board complemented by working groups

The design that seems to best fit a Dutch NAB follows the current setup of both the UK and Australia, with a Board that has a limited number of seats, but aims to represent all parts of the field. This Board is supported by a dedicated team, to support the execution of the NAB's initiatives, and several working groups that focus on specific topics and allow for a broader group of stakeholders to be involved. In both instances, the Board is represented by a combination of C-level executives or Board Members of core stakeholders in the field and practitioner executives. Every board member chairs a working group, but the working group members are not necessarily members of the board. Figure 3 gives an overview of the governance. The UK has, after several iterations, landed on this structure in which they for example have moved from two separate Boards, the actual NAB Board and a Practitioner Board, to one overarching board. Realizing that two boards was not practical, but also that both aspects are needed for success, it has therefore now folded into one Board with an approximately 50-50 representation from both original groups. Finally, the UK has decided to work with a rotating Board and Chair, while Australia has chosen for no explicit rotation but chooses to use periodical reviews for strategic choices. Although not explicitly asked, the interviewees did acknowledge that the Board should be able to adapt when priorities or circumstances change. This fits best with a rotating board, and chair.

“Rotation is important.

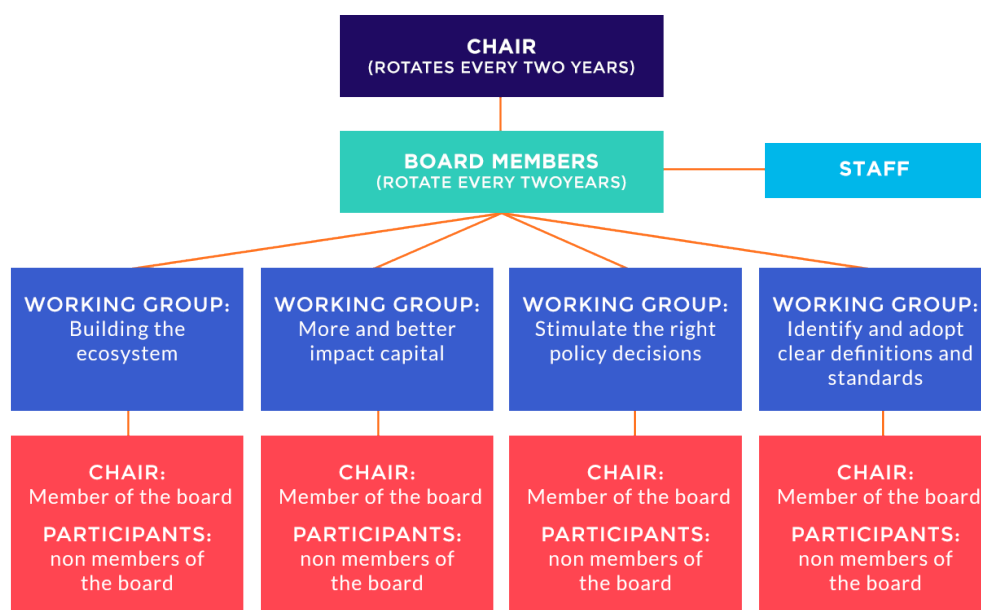
Often it is the case that board members are stuck in a role to which they cannot add anything valuable anymore. With the NAB, the themes will change every so often, which makes it also important that the board members change every so often”

DESIGN PRINCIPLES FOR A DUTCH NAB

- 1) Representing and aligning every part of the impact economy
- 2) Setting the agenda with a concrete action plan that is reiterated on a yearly basis
- 3) A chair with authority and who can represent all major stakeholders in the ecosystem
- 4) A fit for purpose governance structure consisting of a rotating board complemented by working groups
- 5) A dedicated team focused on execution and funded by core supporters

Most NABs agree that there are crucial interactions with government, however when a NAB intends to focus on policy making, direct involvement by government might unnecessarily complicate matters or even hinder the process. Therefore, we often see NABs agree on a role of observer with the government (e.g. UK, Australia), or even on a more indirect role for government (e.g. Germany, Italy, Portugal). For instance, the UK NAB is a private market driven initiative in which the government is involved through an observer. Few NABs opt to have direct involvement of government officials

on the NAB, but examples do exist, such as Finland and Brazil. Many successes that are government and regulation related have been reached by lobbying activities. The fact that government was not directly involved, and no policy interferences were therefore at hand, may have added to these successes. When asked, the interviewees seem to agree with the view that government and regulation should have a somewhat different function than other stakeholders. The reason for this is that many interviewees see it as beneficial to have the main actions of the NAB stand apart from any policy interferences and come directly from the demands and questions from the impact investment market itself.



NB The themes of the working groups mentioned in this figure are based on the findings of the current report, but are not exhaustive and need to be validated when the NAB has been set up

Figure 3 Proposed governance Dutch NAB

Design principle 5: A dedicated team focused on execution and funded by core supporters

Another important choice for a sustainable impact is around the funding model for the NAB. In the previous section, the governance has been set out and it has become clear that a dedicated team is desirable. This has obvious implications for funding requirements. From other NABs it appears that the general costs of a NAB including a dedicated team as mentioned above, but without taking into account additional programmes and activities, lie around €150.000,- to €200.000,-. For an overview of the estimated costs a NAB makes with the set up as recommended see Table 4.

Table 4 Estimation of costs NAB per year

DEDICATED TEAM (1,5 FTE)		€100.000
ORGANISATION GATHERINGS & EVENTS		€25.000
OVERHEAD COSTS & EXPENSES		€25.000
CSC MEMBERSHIP FEE	Associate fee	€5.600 (£5.000)
	Executive fee	€21.400 (£19.000)
TOTAL ESTIMATED ANNUAL COSTS		€155.600 - €171.400

Based on the interviews it seems that subsidies and/or funding will be needed to cover operating expenses, establish proof of concept and build up early successes. The larger institutions seem willing to pay amounts up to €5.000,- per year. By means of example, the membership fee for the NAB in Italy is €3.000,-. However, most of the interviewees from smaller institutions said they were not able (or willing) to pay for membership. Having to pay a membership fee would for them be a reason to not join the NAB, with the implication that the NAB would lose some of the inclusivity that is needed. As such, financing the NAB exclusively via subsidies and/or grant funding would, for now, be the preferred way. The current feasibility study is funded by the city of The Hague and Stichting DOEN. To have the NAB up and running, it thus appears that further funding has to be found. Funders have emphasized that a co-funding model is preferred to ensure the NAB is truly a sector-led priority agenda for those involved.

NEXT STEPS

The (preliminary) conclusion of this study is that there is sufficient mandate and opportunity to create a Dutch NAB. Therefore, we recommend starting the implementation of a NAB following the design principles as set out. This should start off with the formation of a coalition of the willing that (for a large part) will form the first NAB Board, in parallel with selecting a Chair. Finally, when following the design principles, funding and a dedicated team are crucial to move towards action. Work should start imminently in order to quickly make progress with the NAB.

The next steps should focus on two core aspects. First, the formation of a Board, including the Chair. While the Chair is recognised as a crucial part of the NAB, ideas for who this might be varied significantly. To not lose momentum we therefore recommend starting with the formation of the Board. In parallel, a Chair can be identified, or in the case when the Board is fully formed, a rotating Chair can possibly be chosen out of the Board Members.

The second action point we recommend picking up swiftly is the identification of funding opportunities. While some key stakeholders have identified a willingness to contribute, this needs to be formalised in the next steps. It is recommended to identify 2/3 core funders that are aligned with the purpose and thematics of the NAB that have been identified for the first phase. This could be topped up by funding from members or key stakeholders of the NAB, potentially lowering the burden for core funders.

As soon as funding and Board are in place, a dedicated team should be formed. We recommend this team to be based out of The Hague, as some crucial stakeholders are based there (e.g. FMO) as well as the team then being close to government for the policy making aspects of the NAB. However, the formation of the NAB and raising the necessary funding require significant effort. This should not be taken lightly, and we recommend dedicating sufficient time towards this. It should be identified whether a core stakeholder is willing to take this up in kind, or whether other arrangements need to be made.

Based on this study, but also the observations in the wider (international) ecosystem, there is significant momentum to further grow the movement of impact investment. Now is a crucial time to move forward in order to reach the SDGs. Therefore, we believe that we should leverage this to further shape the ecosystem in the Netherlands and create more impact together, by setting up a Dutch National Advisory Board for Impact Investment

APPENDIX

THE IMPACT INVESTMENT ECOSYSTEM IN THE NETHERLANDS

Sustainability and impact investments are growing fields in the Netherlands, getting more attention from both institutions and the general public. Some organisations are widely recognised as frontrunners, while others have been developing their strategies and activities more under the radar. For the general public, as well as internationally, organisations such as Triodos Bank, FMO and PGGM are widely recognised as front runners, while within the sector an organisation such as Stichting DOEN is recognised as a good example as well. From the demand side, Social Enterprise NL is very active in representing the growing field of social enterprises, with standout success stories from the likes of Tony's Chocolonely, Fairphone and De Prael. Last, but not least is the NGO sector that is crucial in delivering impact, especially in developing markets, with key examples for this sector in Cordaid and Oxfam.

To start off with the solutions, or the demand side as defined by the GSG, we see a strong growth in social entrepreneurship in the Netherlands. The Social Enterprise Monitor 2018⁹ shows this strong growth, with the number of members growing to c.350. More importantly, it appears that the market is developing, where scale and profitability is increasing strongly and more enterprises are now involved in measuring their impact. However, core challenges remain for social enterprises, with attracting capital being the second biggest challenge, only topped by collaborating with local authorities. Also, regulation and scaling up are amongst the biggest challenges. On several instances there is still a mismatch between the funding that enterprises seek, the scale and phase that they are in, and the capital that is available in the market. Even with the maturing market, this gap is closing too slowly.

On the side of the NGOs we see movement towards impact investments, with organisations such as Cordaid creating a strong focus on impact investments, but also Oxfam, ICCO, AMREF and the Red Cross becoming more and more active in this field both from the Netherlands and internationally. Expanding the horizon of opportunities to reach the SDGs.

The other actors in the supply side of capital are very diverse. However, they face some common challenges. Most existing (philanthropic) funds that are used to give, rather than invest, struggle with questions around the effectiveness of their money and how to measure this. At the same time, there is an increasing push for the use of their endowments towards impactful investments on top of their philanthropic activities. This poses challenges in the identification of new opportunities and how to assess these. Challenges which are also addressed by for instance the European Venture Philanthropy Association (EVPA). Funds such as Stichting DOEN, Start Foundation and Fonds 1818 have made a lot of progress with regards to these challenges. Others are making steps towards this, such as the Oranje Fonds. At the same time there are also organisations that have stayed clear of investments and still have a very grant-oriented approach, such as Adessium Foundation and Porticus.

When looking at the more dedicated impact investment funds, the focus shifts more to specific thematics and/or regions. In some cases, but not all, they will invest in early or growth stage impact enterprises, which appears to be in line with the scale that the aforementioned endowment funds focus on. With the exception on potential risks or very early stage impact enterprises that will receive grants or blended financing. While we see some funds that are focused on the Netherlands, such as Social Impact Ventures and the ABN AMRO Social Impact Fund, most funds tend to focus on developing markets, such as Hivos, Aqua Spark or Triple Jump. Typically, the latter group also picks up a more specific focus on thematics (e.g. Aqua Spark) and/or on region.

⁹ De Social Enterprise Monitor 2018, Social Enterprise NL, 2018

To round up the supply side, we do also see a clear growth in the involvement of (financial) institutions in this field. Long standing front runners like FMO and Triodos Bank are still heavily involved in impact investment and have a clear dedication towards the SDGs. Besides this the broader Dutch financial sector is playing an important role in driving impact investments, with ABN AMRO and Rabobank increasing their focus on social impact and sustainability, and most prominently the pension sector that has been outspoken in adopting the SDGs and adding the potential of significantly increasing the size of this sector. Initially driven by APG and PGGM, but now adopted by organisations such as MN and Nationale Nederlanden. Also, other financial institutions such as Aegon are taking up this topic through investments and non-financial institutions are increasing their role through specific activities such as the IKEA Social Entrepreneurship Initiative and the growing involvement of corporate foundations such as Philips Foundation and Achmea Foundation.

The final part of the field to be discussed in this section, is that of government. In all sides of the field, regulations and government activity play an important role in how the sector behaves and develops. In the Netherlands, an increasing number of responsibilities for social challenges in the country have been decentralized, causing direct involvement to take place at the local level mostly. The Netherlands is for instance the third country globally in terms of number of Social Impact Bonds, with 11 impact bonds at the time of writing, however 9 of those have been implemented with local authorities, just one with central government, and one with an insurance company. Also, with programmes such as Buy Social, in which government is encouraged to engage with social enterprises as their suppliers, there remains a focus on local government. Nationally, some initiatives are picking up such as the push for a large semi-public fund in Invest NL and the Dutch Good Growth Fund, with a focus on the Netherlands and developing markets respectively. Politically, impact investments have not appeared to get much traction however.

As might be seen from the discussion of the various parts of the Dutch impact investment field, one of the biggest challenges here is fragmentation, both of efforts and knowledge. In the private sector, there is a lot of progress, but with a challenge of coordinating those initiatives across the sector. This is also apparent in the many working groups that already exist in the Netherlands. In the public sector, a lot of responsibilities are dispersed across local and national government, but also across departments, without clear ownership on the themes. See also the Table in this appendix which gives an overview of the working groups that were active in 2016 and which has not changed much. Most working groups in this table are either still active, or have already stopped their activities, without necessarily adding new initiatives to the field. Most working groups also cover only parts of the sector and often particularly the institutional part. Additionally, there are several membership organisations active in this field, most prominently Social Enterprise NL (mentioned before), the European Venture Philanthropy Organisation (EVPA) which has numerous Dutch members, and the Global Impact Investing Network (GIIN) which has a Dutch liaison. All cover specific parts of the market and the EVPA and GIIN have internationally aligned themselves with the GSG over the past years.

PROCESS AND LIST OF PEOPLE INTERVIEWED

To explore whether actors and stakeholders in the Dutch impact investment ecosystem see an added value of a Dutch NAB, a feasibility study was set up in which 21 main actors of the Dutch field were interviewed. It was made sure that the interviewees represented a variety of stakeholders of the impact investment ecosystem in the Netherlands. In addition, 5 international interviews were held in which the EU, Australian, Italian and UK NABs and the GSG itself were also asked their view on the added value of an NAB, how to best set up an NAB and what the focus areas should be. A list of the people that were interviewed can be found below. On average, every interview lasted approximately one hour and was either held in person or via a call.

The purpose of the national interviews was to get a better sense of how the Dutch impact investment field looks upon a potential Dutch NAB. As such, interviewees were not only asked what their (first) impressions were of the GSG and NAB, but also what an NAB could do to further the Dutch impact investment sector, what their views were on the main activities a Dutch NAB should focus on, whether there are areas, themes and/or activities from which the Netherlands could learn from the global network and also whether there are areas from which the global network could learn from the Netherlands. Additionally, who are considered as the key stakeholders of the field and whether there are working groups in the Netherlands that do similar things as the NAB or that could contribute to the NAB, was also touched upon. Finally, how the Dutch NAB should be organized and whether and on what conditions the interviewees would be willing to (actively) participate in the NAB was asked as well.

The interviews of the EU, Australian, Italian and UK NABs and the GSG had a slightly different approach as the main purpose was to get their view on how to best start an NAB, how the NABs have evolved over time, what activities the NABs focus on, who are involved and how the NABs operate and are governed. Asking these questions makes it possible to take over their lessons learned and best practices to set up the Dutch NAB as effectively and efficiently as possible.

List of people interviewed

NAME	COMPANY	DUTCH/ INTERNATIONAL	IN PERSON/CALL
ULI GRABENWATER	EIF/EU NAB	International	Call
SILVIA MANCA	EIF/EU NAB	International	Call
KRISZTINA TORA	GSG	International	Call
ROSEMARY ADDIS	Australia NAB	International	Call
MICHELE GIDDENS	UK NAB	International	In person
RAFAELLA DEFELICE	Italian NAB	International	In person
MARK HILLEN	Social Enterprise NL	Dutch	In person
NIKKI RUPERT	DNB	Dutch	Call
ANNA MENENTI	City of The Hague	Dutch	In person
MARIKEN GAANDERSE	City of The Hague	Dutch	In person
WIM JANSEN	City of The Hague	Dutch	In person
MAARTEN BIERMANS	Rabobank	Dutch	In person
SJOERD KAMERBEEK	Van Doorne	Dutch	In person
MONIQUE MEULEMANS	Pymwymic	Dutch	In person
HARRY HUMMELS	Utrecht University	Dutch	In person
RICHARD KOOLOOS	ABN AMRO Bank	Dutch	Call
HARALD WALKATE	Aegon	Dutch	In person
PETER VAN MIERLO	FMO	Dutch	In person
YVONNE BAKKUM	FMO	Dutch	In person
GERT-JAN SIKKING	PGGM	Dutch	Call
MARILOU VAN GOLSTEIN-BROUWERS	Triodos Bank	Dutch	In person
ANNEKE SIPKENS	Stichting DOEN	Dutch	Call
DAAN LAMÉRIS	Stichting DOEN	Dutch	Call
JEROEN WOPEREIS	IKEA Foundation	Dutch	Call
EMMA VERHEIJKE	Sinzer	Dutch	In person
WOUTER KOELEWIJN	GIIN	Dutch	In person

NON-EXHAUSTIVE OVERVIEW OF EXISTING WORKING GROUPS IN THE NETHERLANDS (2016)

INITIATIVE	SECTOR			FOCUS/GOAL	PARTICIPATION AND/OR LEAD
	FIN	GOV	REG		
DNB Platform for sustainable finance	○	○	○	Provide a cross-sectoral Platform for coordination and information sharing between relevant trade associations, regulators and government; and facilitate financial institutions to form cross-sectoral working groups	Led by the DNB Central Bank (DNB)
Dutch association of investors for Sustainable Development (VBDO)	○			Raise awareness with multinational corporations and investors on ways to contribute to the establishment of sustainable capital markets	70+ Members. Independent initiative, National liaison to Eurosif
Dutch CIO Dialogue/ Working Groups on sustainable Development Investments (SDIs)	○			Facilitate a steep increase in Institutional investments into the SDGs (SDI)	Members include APG, PGGM, Kempen, Actiam and MN
Dutch SDG Charter Coalition	○	○		Promote knowledge sharing across sectors and forge multi-stakeholder partnerships	130+ Signatories, independent initiative
EU CoP Financial institutes & Natural capital (CoP FINC)	○	○		Discuss investment criteria for biodiversity, develop new (insurance) products, and share best greening practices	Led by RVO, founding members from the Netherlands are ASN Bank, Actiam, FMO
Federation of Dutch Pension Funds - Ongoing Dialogue	○			Promote the interests of 5.6 Mn participants, 2.9 Mn pensioners and 8.3 Mn "early leavers"	220+ Members, independent sector initiative
Governmental Taskforce Innovative Finance		○		Facilitate consultations and advice government on effective (blended) finance instruments	Led by Ministry of Foreign Affairs; Ministry of Finance
Netherlands Investment Institution (NLII) - Ongoing Dialogue	○			Enable institutional investors to invest directly in the Dutch economy	Investment intermediary
NL Next Level	○			Provide a vision on a new investing agenda and dialogue for the banking sector	Led by VN)-NCW, MKB-NL, LTO-NL
NVB Platform Duurzaamheid (NVB Sustainability Platform)	○			Shape a national sustainability agenda and dialogue for the banking sector	74 Members, sector initiative, collaborative with Gov & DNB
Platform Carbon Accounting Financials (PCAF)	○			Develop methods for measuring and disclosing carbon footprint of investments	Led by 11 Dutch financial institutions, initiated by ASN Bank
SDG Investing Agenda Initiative (SDGI)	○			Develop a shared SDG investing agenda with input from the government and the DNB	Signatories include 18 financial institutions
Sustainable Finance Lab (SFL)	○			Provide a cross-sector platform contributing to a robust, sustainable financial sector	Led by University of Utrecht, Triodos Bank
Sustainable Pension Investments Lab (SPIL)	○			Research and advance opportunities for making pension fund investments more sustainable	Led by SFL/University of Utrecht, de Groene Grachten

THE NAB FEASIBILITY STUDY WORKING GROUP AND COMMISSIONERS



SOCIAL FINANCE NL

Social Finance NL is a social enterprise that believes in creating equal opportunities. We need a new, more effective way of solving social issues. Via Innovative collaborations and knowledge sharing between government, social enterprises and (impact) investors we create a sustainable, effective solution for social issues. We do this by using a results-oriented methodology, data-driven analyses and impact measurement. Examples of approaches and methodologies that we work with are results-oriented funding and, in particular, Social Impact Bonds. We use these methods to develop new initiatives or to scale up impact.



PHENIX CAPITAL

Phenix Capital assists institutional investors and asset owners such as pension funds, insurance companies, endowments, wealth managers, family offices, foundations and religious institutions in turning their investment beliefs into tangible impact investment solutions across all asset classes and markets, including aligning allocations to the United Nations Sustainable Development Goals (SDGs).

Phenix Capital's mission is to catalyze capital from institutional investors for investments that target a competitive financial return and simultaneously aim to end poverty, protect the planet and ensure prosperity for all.

Phenix Capital's vision is to contribute to a better world by aligning allocations to the United Nations SDGs and closing the SDG financing gap with invested capital.



ENCLUDE

Enclude is the world's leading investment bank for impact. It connects its clients with the capital they need to finance their growth. We have mobilized in excess of US\$500mn in capital for impact, through capital raising and M&A transactions. Furthermore, we have developed a number of innovative and impactful investment vehicles. Enclude's parent, Palladium, works through a global network in over 90 countries to formulate strategies, build partnerships and implement programmes that have a lasting impact.



C-CHANGE

At C-Change, we envision a world where it is easy and worthwhile for anyone to contribute to the 2030 Sustainable Development Goals (SDGs). With the mission to trigger and equip most importantly the private sector to 'connect for impact', our team works to roll out collective action programs that have transformative impact potential. In The Netherlands, C-Change contributed to the Impact Summit Europe in 2015, and facilitated the creation of a national SDG Investment Agenda (www.sdgi-nl.org) as the first of its kind. More recent flagship initiatives included the launch of a Dutch SDG Gateway (www.sdggateway.nl); as well as global agenda setting work with the UN to establish a 'new normal in global capital markets' alongside the UN and the Rockefeller Foundation. Our biggest and boldest program to date involves the roll out of a "LinkedIn for Impact" and accompanying #BIZ4SDGs city campaign in close partnership with the Impact Management Project, the UN a.o. This ambitious program, which was triggered by a realization that today's enterprise ecosystems and standards are incredibly difficult to navigate, is currently in the design phase, with 2019 pilots planned in The Netherlands, Jordan, and Nairobi.



DOEN

Participations (DOEN Ventures) has the ambition to make the world greener and more social. That is why impact is central to all investments. DOEN Participations invests in the early phase of companies and dares to take risks. DOEN Participaties is fully owned and managed by DOEN Foundation. The DOEN Foundation was set up by the Charity Lotteries. For more information see www.doenparticipaties.nl.



IMPACT CITY THE HAGUE

ImpactCity is The Hague's startup and scaleup community that joins forces to create innovations for a better world: doing good & doing business.

The Hague forms a unique junction for private corporations, international governmental organizations, impact investors and hundreds of NGOs that focus on global challenges in the area of climate change, humanitarian aid, innovation in the food sector and renewable energy. In particular the municipality of The Hague with ImpactCity has taken major strides when it comes to facilitating access to networks, capital, talent and markets. Add a constant influx of dynamic impact entrepreneurs and you have the ideal ecosystem for putting the motto 'doing good & doing business' into practice. www.impactcity.nl

