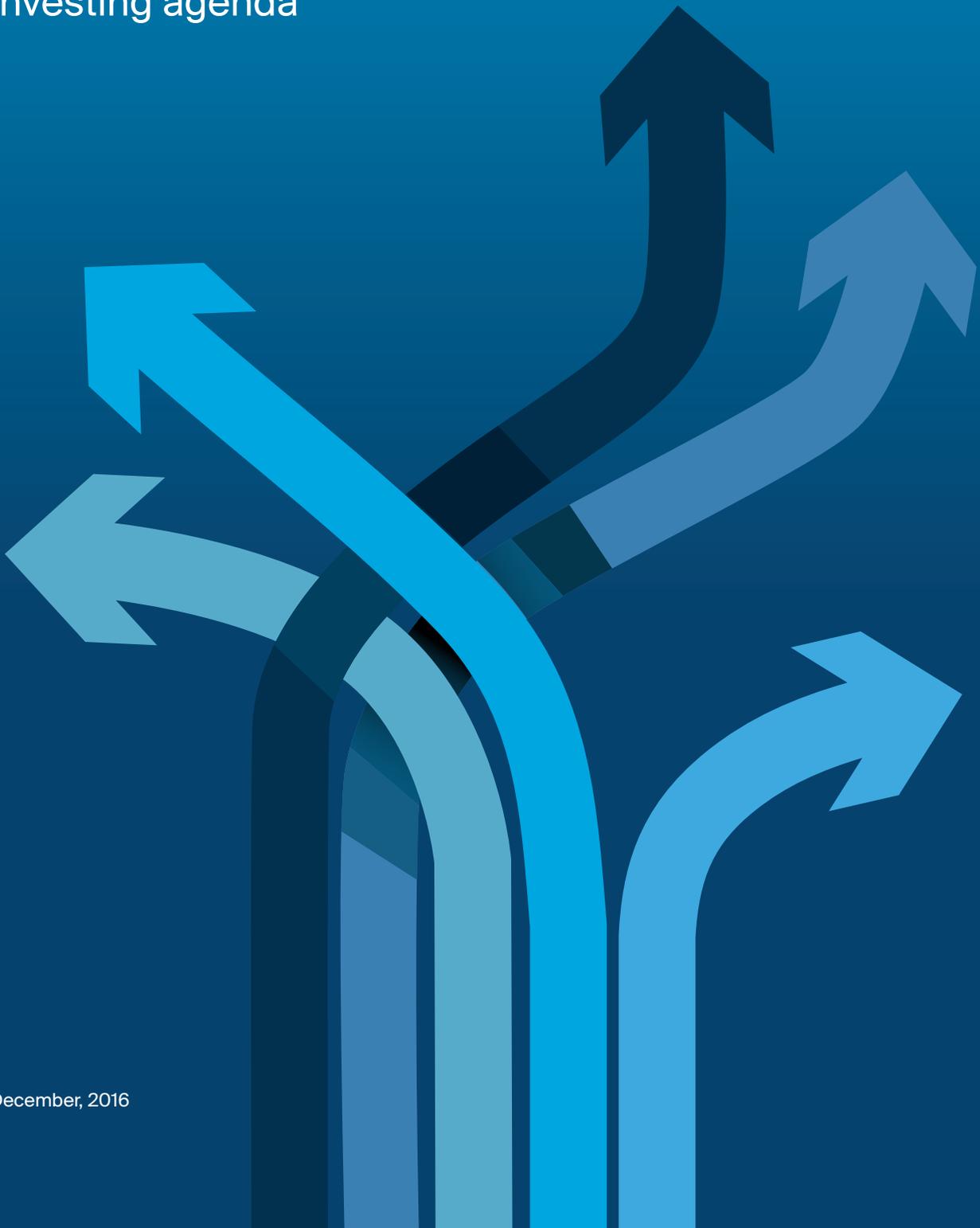


Building Highways to SDG Investing

Invitation to collaborate on a
Dutch sustainable development
investing agenda



ABBREVIATIONS

2015 Agreements	The 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda and the Paris Agreement on Climate Change
2030 Agenda	The 2030 Agenda for Sustainable Development by the United Nations
ACM	Authority Consumer and Market
AFM	Autoriteit Financiële Markten
DNB	De Nederlandsche Bank / Dutch Central Bank
ECI	Export Credit Insurance
EMIR	European Market Infrastructure Regulation
ESG	Environmental, Social, Governance
FIN	Financial sector
FTK	Financieel Toetsingskader
GIIN	Global Impact Investing Network
GOV	Government
HLPF	High-Level Political Forum
I&M	Infrastructure and Environment
OECD	Organization for Economic Cooperation and Development
REG	Regulator
SDG(s)	Sustainable Development Goal(s) / Global Goal(s) for Sustainable Development
SDGI initiative	Sustainable Development Goals Investing Initiative
SME	Small-Medium Sized Enterprises
TOSSD	Total Official Support for Sustainable Development
WG	Working Group

DISCLAIMER

All information provided in this document is for information purposes only and is not, and does not constitute or intend to constitute, investment advice or any investment service as referred to in the Act on Financial Supervision.

“We invite the Dutch government and DNB to collaborate with the undersigned to continue to take action in support of the 2030 Agenda for Sustainable Development.”

SDGI Signatories



In 2015, world leaders from all sectors signed off on three major sustainability mandates - the 2030 Sustainable Development Agenda, the Addis Ababa Action Agenda, and the Paris Agreement on Climate Change.

The 2015 Agreements provide a comprehensive, global strategy towards a fair, stable and sustainable society.

Our Invitation

Our world is in flux. Today, more than ever before, the private sector plays a critical role in safeguarding a sustainable future for upcoming generations. In 2015, world leaders from all **sectors signed off on three major sustainability mandates:** The Addis Ababa Action Agenda, the 2030 Sustainable Development Agenda, and the Paris Agreement on Climate Change. The 2015 Agreements provide a comprehensive, global strategy towards a fair, stable and sustainable society. However, a 'crowding in' of private and institutional SDG investment (SDGI) towards the estimated \$5-7 trillion in capital that is needed each year¹ to finance the Agenda, is not happening at the right pace and scale yet.

We, the undersigned financial institutions, are committed to **contribute to the SDG Agenda** and view its underpinning 17 Global Goals as a catalytic driver for positive change. We believe that it is in our best interest, as well as that of our clients and investees, to consider the largest societal challenges of our time in our work and investments. Efforts to date by the undersigned to maximize the positive impact of the ~2,800 billion Euros in assets we collectively manage, are testament to this.

This **Dutch SDG Investing (SDGI) Agenda** serves to reinforce our commitment and to offer concrete recommendations for 'SDGI action' in context of Dutch investment value chains. It articulates milestone achievements to date, priorities that we will collectively undertake, as well as ways in which individual institutions will seek to make a difference. Most importantly however, it identifies areas where we believe that collaboration with the DNB and the Dutch government will unlock greater SDG investment and increase our net positive contributions to each of the seventeen SDGs – including SDG#17 which calls for greater collaboration between public and private sectors.

As reinforced by the Addis Ababa Action Agreement, we recognize that the government and regulatory supervisors are needed to fully realize the financial sector's contributing potential. We look at the government to help raise the profile of the SDGs in The Netherlands, to provide policy support and catalytic funding instruments, and to deploy innovative sustainable finance approaches. Specifically, we invite the Dutch government and DNB to collaborate with the undersigned to continue to **take action in support of the 2030 Agenda** in at least four areas of action:

1. Catalyze significant SDG investment through the systematic deployment of blended finance instruments
2. Make SDG investment the 'new normal' by encouraging and enabling all Dutch retail investors to invest with impact
3. Establish an enabling SDGI data environment by stimulating the uptake of sustainability indicators and standards
4. Identify and address actual and perceived regulatory barriers and incentives to SDG investment

Our hope is that our attempt at articulating a shared national SDGI Agenda will help lead to **greater convergence, collaboration, and coordination** between a broad spectrum of actors. We are greatly encouraged by the resonance this Initiative has found already with the Dutch government and by the new connections that were forged as a result of our consultation with them.

As a country, we have **a unique opportunity to set the tone for SDG investing**. We look forward to sharpening the content of the Dutch SDGI agenda to this effect and to collaborating with our colleagues, peers, and fellow initiatives to elevate each of our individual SDG journeys and successes to one of national – and ultimately global – SDG investment success.

¹ Estimates are that \$5-7 trillion of incremental annual investment is needed to finance the SDGs, mostly for energy. This represents 7 to 10% of global GDP and 25-40% of annual global investment – H. Kharas, J. McArthur, Brookings, 2016; UNCTAD, 2014

Signatories of the Dutch SDG Investing Agenda

Financial Institutions



ABN AMRO Bank
Caroline Princen,
Member of the
Managing Board



Achmea
Jacob de Wit,
Chairman Achmea
Investment
Management



ACTIAM
George Coppens,
Chief Commercial
Officer



Aegon
Marco Keim,
Chief Executive Officer,
Management Board



APG
Gert Dijkstra,
Chief Strategy and
Communication



ASN Bank
Piet Sprengers,
Head of Sustainability



ASR Nederland
Jack Julicher,
Chief Investment Officer



Delta Lloyd
Ingrid de Graaf,
Executive Board
Member



FMO
Linda Broekhuizen,
Chief Investment Officer



ING Groenbank
Geert Van De Guchte,
Chief Executive Officer



MN
Gerald Cartigny,
Chief Investment Officer,
Managing Board



NIBC
Robin Willing,
Senior Sustainability
Officer



NN Group
Jelle van der Giessen,
Chief Investment Officer



PGGM
Else Bos,
Chief Executive Officer



Rabobank
Bas Rüter,
Director Sustainability



Robeco
Peter Ferket, Head of
Investments, Member
Executive Committee



Triodos Bank
Peter Blom,
Chief Executive Officer,
Chairman of the Board



Van Lanschot Kempen
Karl Guha,
Chief Executive Officer,
Chairman of the Board

Enabling Networks & Initiatives



**Impact Summit
Europe (ISE)**
Sophie Robé,
Founder Phenix
Capital



PYMWYMIC
Katrin Ley,
Managing Director



VBDO
Angélique Laskewitz,
Executive Director

SDGI Facilitators



C-Change
Carolien de Bruin,
Founder & CEO



SDG Charter Coalition
Herman Mulder,
Chairman of the Board

Recommendations

We invite the Dutch government and DNB to collaborate with the undersigned to take action in support of the 2030 Sustainable Development Agenda. Priorities describe areas where financial sector (FIN), government (GOV), and/or regulator (REG) collaboration and action is considered beneficial. Important to note is that not all Signatories will be involved across all 16 priorities, yet they are united by a shared commitment to the 2030 Agenda.

1

Blending Public & Private Capital

GOAL: Catalyze significant SDG investment through the systematic deployment of blended finance instruments

RECOMMENDATIONS:

1.1 FIN: Set institutional targets for sustainable or SDG investing as feasible, and proactively address internal barriers to SDGI (4)

1.2 FIN/REG: Pool institutional funds and resources where feasible to enable economies of scale, and further adoption among smaller institutions (e.g., pension funds) and wealth holders (1/4)

1.3 GOV: Enhance and develop public risk-return enhancing solutions in close consultation with the financial sector, in order to crowd in greater institutional capital towards the SDGI and to leverage government spending (2)

1.4 FIN/GOV: Advance integrated structured financing solutions where feasible that cut across the lifecycle of investments with a focus on more 'investable' sectors – energy, infrastructure and water, agri & food, and healthcare (1/2)

1.5 GOV: Offer a 'one-stop-blending-shop' that guides projects requiring public sector support through government bureaucracies as needed

CRITICAL LINKS: 2.5 / 4.1 / 4.2

2

Mobilizing Retail-Oriented Impact Capital

GOAL: Make SDG investment 'the new normal' by encouraging and enabling all Dutch retail investors to invest with impact

RECOMMENDATIONS:

2.1 ALL: Launch an SDG campaign to increase awareness of the SDGs and flag the opportunity for all to invest in the 2030 Agenda

2.2 FIN: Promote the relevance of a long-term investment approach and inclusion of SDG investment in private investor portfolios as feasible (3)

2.3 REG: Facilitate SDG investments among retail investors by avoiding that non-complex impact investing funds are unnecessarily classified as such, which can have the consequence that 'non-complex' AIFs are not distributed to retail investors

2.4 FIN/GOV: Align pension savings schemes and regulations as possible to enable SDGI among individual pension savers

2.5 FIN: Strengthen advisor capabilities by engaging in a sector-wide SDG and impact investing training initiative across wealth advisors, banks, pension funds, and life insurers (E.g., through CFA modules, University curricula)

CRITICAL LINKS: 3.2. / 4.1 / 4.2

3

Stimulating Data Standardization

GOAL: Establish an enabling SDGI data environment by stimulating the uptake of sustainability indicators and standards

RECOMMENDATIONS:

3.1 FIN: Collaborate to determine a select set of SDG indicators for tracking institutional SDG investments, that can be used to track and compare sustainable development investments (4)

3.2 ALL: Stimulate the uptake of sustainability standards in reports, benchmarks, and indices alongside national and international agencies – giving appropriate attention to both ESG and SDG indicators (2/5)

3.3 GOV: Clarify its SDG 'data' ambition and approach to measuring private sector contributions to the 2030 Agenda, to ensure efficient and value-added data capturing and reporting processes

3.4 GOV: Make relevant SDG and market information available as feasible (incl. Country level information from embassies, private sector SDG contributions, etc.) in anticipation of a universal SDGI data infrastructure (1)

CRITICAL LINKS: 1.1 / 2.2. / 2.5 / 4.2

4

Ensuring a Supportive Regulatory Environment

GOAL: Identify and address actual and perceived regulatory barriers and incentives to SDG investment

RECOMMENDATIONS:

4.1 REG: Conduct further research and publish a summary of barriers and incentives, including a clarification of areas where barriers are perceived but do not exist (4)

4.2 ALL: Ensure SDG transparency by stimulating the uptake of the SDGs in corporate reporting efforts [Direct overlap with recommendation 3.2] (1)

CRITICAL LINKS: 2.3 / 3.2 / 3.4

Recommendations are listed in the sequence or timeframe by which they are expected to be most relevant. Actions cut across the investment value chain and are believed to have a significant catalytic effect on sustainable investment, operations, and trade by Dutch actors.

A number of agenda setting initiatives are taking place that have overlap with our SDGI priorities. Areas where such synergies exist are highlighted. Parallel initiatives are:

1. Contouren Agenda Verantwoord Ondernemen (Pensioen Federatie)
2. 'Next Level' agenda (VNO-NCW)
3. Invitation to Collaborate on the SDGs (NVB)
4. Platform for Sustainable Development (DNB)
5. SDG Working Group (UNPRI)

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About the Initiative

INTRODUCTION

At the 2nd Impact Summit Europe (22 March 2016), Frank Elderson, Director of the Dutch Central Bank (DNB), and Hugo von Meijenfeldt, Implementation Coordinator for the SDGs within the Dutch government, invited investors, banks and other private sector actors to recommend ways in which they can help advance a transformative, forward-looking SDG investment agenda. This invitation was repeated at the Pymwymic Impact Days (19-20 April 2016), a separate event for family offices and experienced impact investors.

In response, the Signatories of this letter invited the Dutch Government² and the DNB in an ‘SDGI Call for Action’ to collaborate on the development of a ‘Dutch SDG Investing (SDGI) Agenda’ that would identify concrete recommendations for the Dutch financial sector, government, and Central Bank alike. This report is the result of a 6-month highly collaborative process among the Signatories of the report and contains a first attempt at describing what a national SDG Investing Agenda could look like. While the Agenda reflects the perspectives of the financial sector as represented by the undersigned institutions, it is important to note that a wide range

of government representatives across Ministries, as well as representatives of the DNB’s Platform for Sustainable Finance were consulted about its content³.

OUR FOCUS

Scoped as an incubating initiative with a final deliverable in December 2016, our ultimate goal for this initiative is to help establish “highways for SDG Investing” – at home and abroad. We sought to do so through three main activities: (1) Advance our joint understanding of Dutch SDG investing; (2) Identify catalytic ways in which the undersigned can work with the Dutch government and regulators, in particular in context to leading Dutch value chains; and (3) Outline a joint SDGI narrative and roadmap that can help achieve greater convergence, collaboration, and coordination between leading actors and stakeholders.

Early on we identified four priority issues that need to be addressed to build a thriving sustainable investment and financing market. Sub-agendas were developed for each priority by four working groups (WGs) – each led by one or two signatories. It is important to note that insurance firms are part of this initiative, yet that we have focused on their investment activities, not on the link between the SDGs and their actual insurance activities.

² The Call for Action was addressed at ‘Ministries involved in the national execution of the global goals’. Ministers included those referenced in the ‘Global Goals: implementatie, monitoring en rapportage’ parliamentary letter dd. May 2016. Partaking Ministries include those of Economic Affairs; Foreign Affairs; Infrastructure and the Environment (I&E); Social Affairs and Employment; Education, Culture & Science. The Minister and State

Secretary for Finance are included as additional recipient given their critical role in enabling a Dutch forward-looking sustainable investing and finance agenda.

³ Over sixty domestic and international experts and practitioners were consulted as part of the Initiative. See our Acknowledgement section at the end of this document for a full list.

SCOPE & DESIGN

An important starting point to our initiative involved reaching alignment on the definitions and scope that would underlie the effort. This framing exercise resulted in the following design principles:

- Recognizing the enormity of the endeavor at hand, the scope of the SDGI initiative focuses on (1) those actions that would further collaborative action between the undersigned, the Dutch government, and Bank (SDG 17; Paragraph 37 of the Addis Ababa Agenda); and (2) those areas where we believe the Sustainable Development Agenda or the SDGs as a framework of reference would provide unique opportunities for accelerating and mainstreaming responsible, sustainable, and impact investing;
- “SDG investments” include investment activities across the investment spectrum, including but not limited to cash equivalents, debt / fixed income, venture capital, and private equity. Impact investments are a sub-set of this spectrum, and set themselves apart by three tenets: (1) An investor’s intention to have a positive societal impact; (2) A financial return expectation that can range from below market (or ‘concessionary’) to market rate returns; (3) A commitment of the investor to measure and report the social and environmental

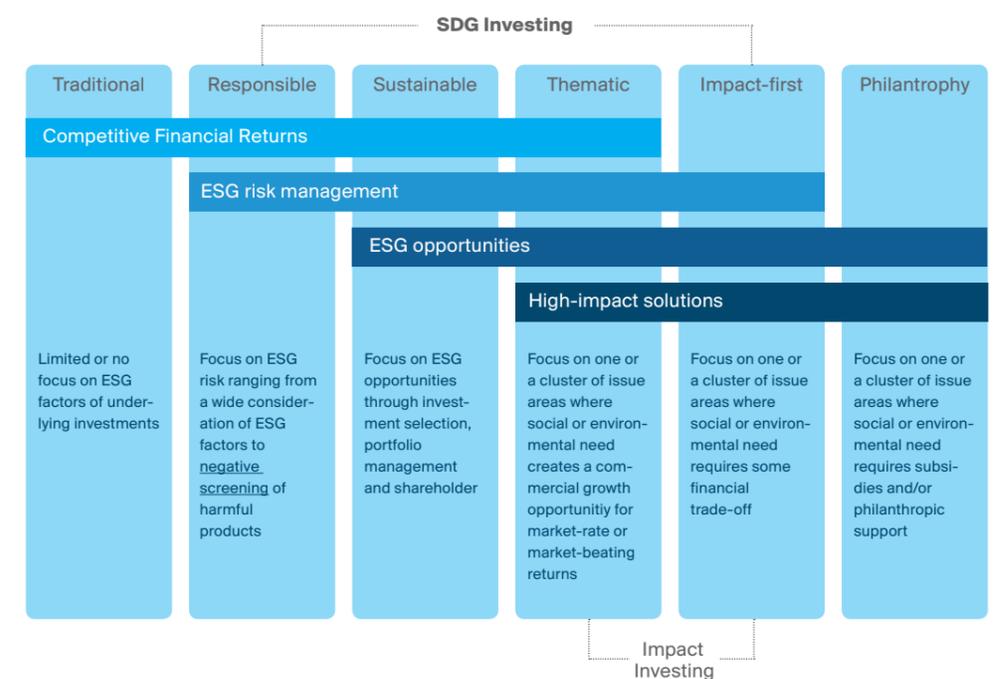
performance and progress of underlying investments. See Exhibit 1 for a visualization.

- The SDGI Agenda considers all investments that occur in context of Dutch investment and financing value chain(s), meaning that both domestic investments and international investment activities are in scope for the Agenda. This in recognition of the fact that the Sustainable Development Goals are meant as a global mandate for action that cuts across developed, emerging, and developing markets.

DELIVERABLE & MILESTONES

The Agenda provides a summary of each of the working group’s recommendations only. Additional context is provided in accompanying working group papers that are included in separate addendum documents. The SDGI Agenda will be presented to the Dutch Government at the Annual Global Impact Investing Network’s Forum (Dec-7) and to DNB’s Executive Director Frank Elderson (Dec-13). It will underpin an SDGI Working Session on December 14th 2016. In this meeting, critical questions such as the way in which the SDGI Agenda will be taken forward – at an institutional and at a market level – will be discussed.

Exhibit 1: Spectrum of Capital & Our Definition of SDG Investing



The SDG Investment Opportunity

INTRODUCTION

The “2015 Agreements” have collectively provided an important mandate to all sectors for addressing key global challenges, including poverty, inequality, and climate change in an integrated and multi-stakeholder fashion: The Sustainable Development Goals (SDGs) involve a set of seventeen ambitious goals and 169 underlying targets, and were signed off by 193 Member States and leaders from all sectors⁴. The Addis Ababa Action Agenda meanwhile provides an ambitious framework on the financial and non-financial means necessary to implement the SDGs through public-private partnerships, while the Paris Agreement offers a more detailed plan on how to shift from a fossil based economy to one that is low-carbon and climate resilient.

Meeting these commitments and implementing both the SDGs and the Climate Agreement effectively is a big task. The Agreements collectively require a rethink of how our societies and economies are organized, how we can eradicate poverty, and how we can adopt sustainable patterns of production and consumption. It requires active analysis, advocacy, engagement and initiative of all stakeholders at all levels.

Rough estimates are that \$5-7 trillion of incremental annual investment will be needed to finance the SDGs⁵. Even when we only look at developing countries, an average annual funding shortfall over 2015-2030 of some \$2.5 trillion remains^{6/7}. This requires that donors honor their promises, it requires better and more efficient taxation, policy frameworks that help make private sustainable investments the best investments, and importantly, it requires the financial sector to make sustainability a priority in their investment and financing decisions.

⁴ Paragraph 54 of the United Nations Resolution A/RES/70/1 of 25 September 2015.

⁵ H. Kharas, J. McArthur, Brookings, 2016

⁶ Estimated annual investment needs in key SDG sectors (2015-2030) for developing

countries amounts to \$3.9 trillion, leaving a \$2.5 trillion annual investment gap versus 2014 investment levels. UNCTAD World Investment Report 2014

⁷ For reference, global Official Development Assistances amounted to roughly \$140Bn in 2015

THE SDGS AS AN INVESTMENT & BUSINESS OPPORTUNITY

Filling the SDG investment gap requires all investors to ‘up their sustainability game’. But how ‘investable’ are the SDGs? And to what extent are investors globally embracing sustainability as a lens in their investment decisions?

The undersigned believe that the SDGs offer powerful direction and momentum to reconcile societal needs with private sector capabilities and opportunities across the entire Dutch value chain. By collectively, and proactively committing to a national SDGI Agenda, we have an opportunity as a country, to strengthen our competitive position in business and leading role in international trade and development finance.

While it is clear that not all SDGs are as ‘investable’ as others, we assert that a lot more can be done to ‘crowd in’ additional investment across asset classes and across the societal and environmental themes that are incorporated by the Sustainable Development agenda. The box on the left provides an overview of existing research insights on the investability of the SDG agenda, overall and by SDG.

How Investable are the SDGs?

Research into the ‘investability’ of the themes identified by the SDGs is limited, yet include a number of insights that support our belief that a lot more can be done to channel investment capital towards the Global Goals:

A 2015 report by UBS In Challenge Lies Opportunity, that called out energy efficiency, waste management and recycling, clean air and carbon reduction, as well as emerging market healthcare as particularly investable SDG investment areas;

In 2016, British organization ShareAction, in collaboration with UNPRI and the Baring Foundation, conducted a survey among 52 institutional investors representing \$5.9 trillion in AuM. In this survey, over 60% of respondents believed that taking action to support the SDGs aligned with their fiduciary duties, and that aligning their investment practices with the SDGs could create opportunities for greater returns;

In a May 2016 report Financing Sustainable Development, SDSN conducted a comprehensive review of SDG financing needs and the role that investor capital could and/or was likely to play. Similar to the other reports, authors Jeffrey Sachs and Guido Schmidt-Traub signaled high investability of infrastructural and environmentally oriented SDGs.

Sustainable & SDG Investing in the Netherlands

INTRODUCTION

The Netherlands has a clear opportunity to strengthen and collectively reaffirm its pioneering position in sustainability and sustainable finance. We are a Top-20 global economy, fifth in economic competitiveness, and home to many corporate sustainability leaders with 4 out of 24 global companies holding lead positions on the Dow Jones Sustainability Index⁸. The sector has collaborated with the Dutch government to adopt 'Next Level strategies' in priority sustainable investment areas such as energy and the circular economy, as well as in areas where the negative effects of doing business require action such as human rights and gender.

Meanwhile, the Dutch financial sector has an extensive track record of investing with impact and has actively embraced impact investment in recent years: In a 2016 study by VBDO over 55% Dutch institutional investors – representing €1,400 billion in invested assets – indicated being engaged in impact investment. VBDO estimates the size of the institutional impact investment market in The Netherlands at 24 billion Euros⁹.

As it relates to the 2015 Agreements, the SDGs have generated considerable traction among Dutch actors. A wide range of initiatives has emerged that are of relevance for this agendas since their launch. Exhibit 2 summarises relevant national and global initiatives, while Exhibit 3 provides an overview of past and future sustainable finance and SDGI milestones.

⁸ NL Next Level: Investeren in de Transformatie van Nederland, VNO-NCW, 2016

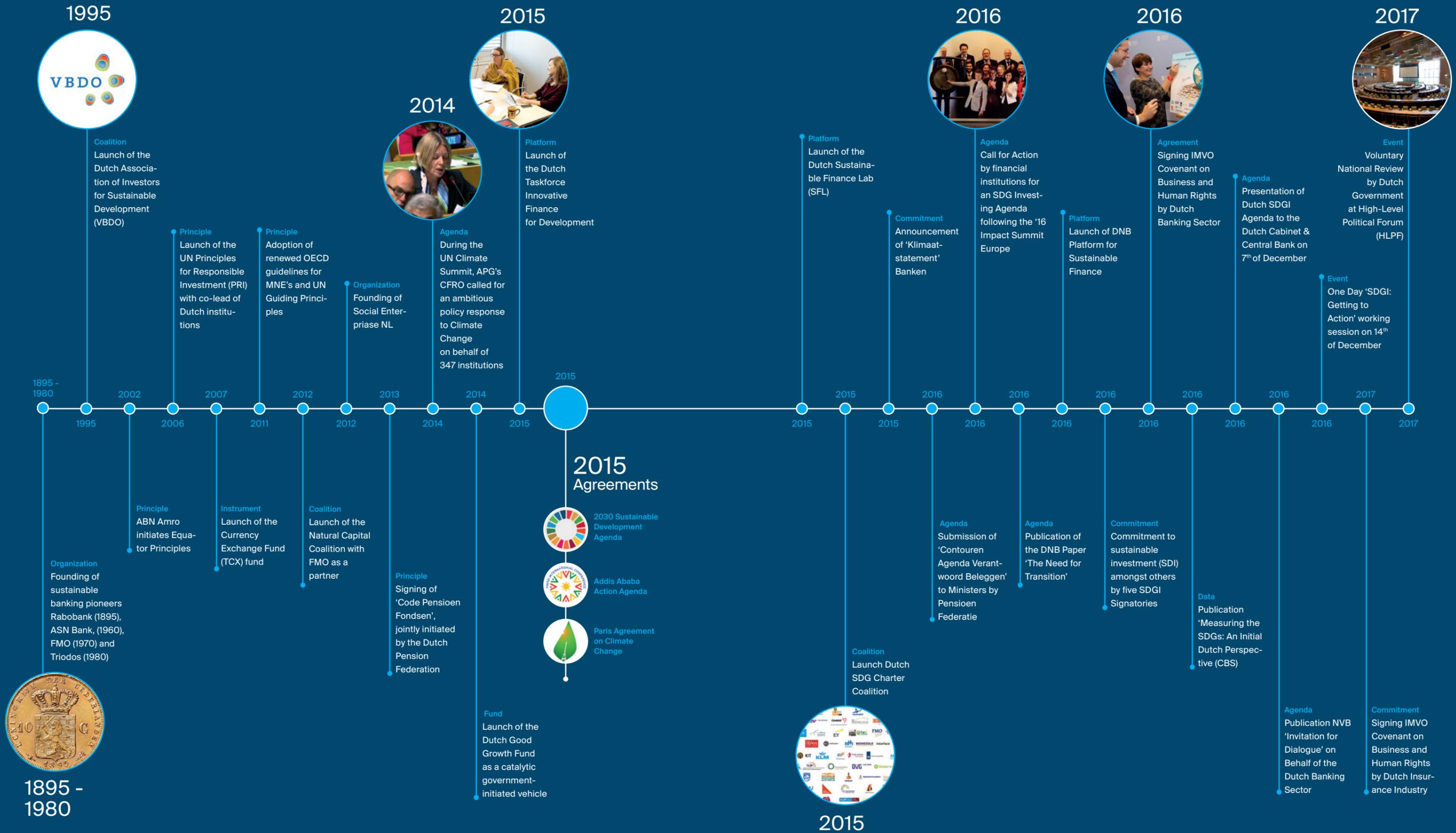
Statistics in The Netherlands, total invested assets by insurance companies and pension funds amounted to €1,600 Bn, implying that 86% of the Dutch market is represented in this survey.

⁹ Self-reported statistics. According to the Bureau of

Exhibit 2: Overview of National & International Initiatives

INITIATIVE	SECTOR FIN GOV REG	FOCUS/GOAL	PARTICIPATION AND/OR LEAD
NATIONAL INITIATIVES			
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 Dutch 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 (See below)
Dutch CIO Dialogue / Working Groups on Sustainable Development Investments (SDIs)	•	Facilitate a steep increase in Institutional investment into the SDGs (SDI)	Members include APG, PGGM, Kempen, Actiam and MN
Dutch Global Goals Charter Coalition	• •	Promote knowledge sharing across sectors and forge multi-stakeholder partnerships	80+ 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 (NLI) – 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 bring the Dutch economy to a next level	Led by VNO-NCW, MKB-NL, LTO-NL
NVB Platform Duurzaamheid	•	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) (this initiative)	•	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
INTERNATIONAL INITIATIVES			
Carbon Disclosure Project	• • •	Provide a global disclosure system that enables companies, states and regions to measure and manage their environmental impacts	Signed by 11 Dutch financial institutions
EU Expert Taskforce (HLEG)	•	Launch an EU organ which specializes on creating a landscape for sustainable finance	Led by EC, includes 20 senior experts
European Sustainable Investment Forum (Eurosif)	•	Promote and advance sustainable finance across Europe. Includes publication of European Transparency guidelines (ETG)	Collective of multiple national associations (incl. VBDO above), independent initiative
Financial Stability Board (FSB), incl. Financial Disclosure Taskforce	• • •	Monitor vulnerabilities affecting the global financial system and proposes actions (incl. disclosure of climate-related risks)	Independent non-governmental initiative, 20+ Task Force Members, incl. PGGM
Focusing Capital on the Long Term Initiative	•	Develop practical tools and approaches that encourage long-term behaviors in business and investment decision-making	18 Members, including Dutch org. APG, PGGM, Kempen, Unilever
GIIN's Investors' Council	• •	Provide forum for experienced impact investors to strengthen practice of impact investing	50+ Members, incl. ACTIAM, DOEN Fnd, FMO, Triodos
Global Alliance for Banking on Values (GABV)	•	Advance positive change in banking sector. Takes a leading role in the debate about how to build a sustainable financial future	Led by 36 financial institutions, including Triodos
Global Social Impact Investing Steering Group (GSG)	• • •	Facilitate knowledge exchange and encourages policy change in national markets	Members include 13 countries (G8+5) plus the EU
Global Sustainable Investment Alliance (GSIA)	•	Deepen impact and visibility of sustainable investment organizations at global level	Led by 6 int'l investment associations, incl. VBDO
Institutional Investors Group on Climate Change (IIGCC)	•	Provide investors with a collaborative platform to encourage investment practices that address long-term risks and opportunities associated with climate change.	130+ Members
Mainstreaming Climate Action within Financial Institutions	• • •	Integrate climate into the core investments and advisory functions of financial institutions	Led by 26 financial institutions, including FMO
OECD Group of Social Impact Investing Experts	• •	Discuss existing data sources and processes to move towards comparable international data	Led by OECD, 20+ Experts, incl. C-Change
The Investment Leaders Group (ILG)	•	Help shift the investment chain towards responsible, long-term value creation	Led by Cambridge Inst. for Sust. Leadership. 10 Members
The Portfolio Decarbonisation Coalition (PDC)	•	Mobilize a critical mass of institutional investors to drive GHG emissions reductions	Led by Amundi, AP4, CDP, UNEP-FI
UN Global Compact	• •	Implement universal sustainability principles and take actions that advance societal goals	Members 9,000 companies + 3,000 non-businesses
UN Principles for Responsible Investing (PRI)	•	Support investor signatories in incorporating ESG factors into their investment and ownership decisions	Independent initiative. Founding signatories include ABN Amro, ABP, PGGM
UNEP Finance Initiative (UNEP FI)	• •	Facilitate country-level policy dialogues and financial sector involvement in international dialogues	Led by UNEP, 200+ financial institutions

EXHIBIT 3: Dutch Sustainable Finance & SDGI Milestones



A Dutch SDGI Agenda: Getting to Action

As we set out to develop a shared SDGI agenda, our aspirations were clear: Develop an ambitious, realistic, and therefore actionable set of priorities. A few cross-cutting market considerations underpin this Agenda:

- **‘SDGI Mainstreaming’ Requires Market-rate**

Returns: Capitalization requirements of Dutch banks and insurance companies in recent years continues to play a role, while the cover-ratio of pension funds remains vulnerable. The Agenda therefore assumes that market-rate returns are required to truly scale SDGI in The Netherlands

- **Building Trust:** We are acutely aware of the need to restore societal confidence in the financial sector. An active, diligent commitment to the SDGs without compromising on hurdle rate returns can play a vital role in collectively heightening trust in the sector and moving towards greater transparency in our work and role

- **A Focus on Recoverable Government**

Commitments: Recognizing the government’s budgetary limitations, our collective ability to develop long-term recoverable instruments is key to helping maximize the catalytic role we would like the government to play

- **Combining Long-term & Short-term**

Considerations in One SDGI Agenda: The Agenda seeks to redirect currently available liquidity following today’s risk and return frameworks, yet begins to chart a path towards long-term value creation and SDG success

- **National leadership and International**

Alignment: While our work focuses on setting national priorities, it is clear that global alignment and consideration for global markets and international initiatives needs to be considered every step of the way

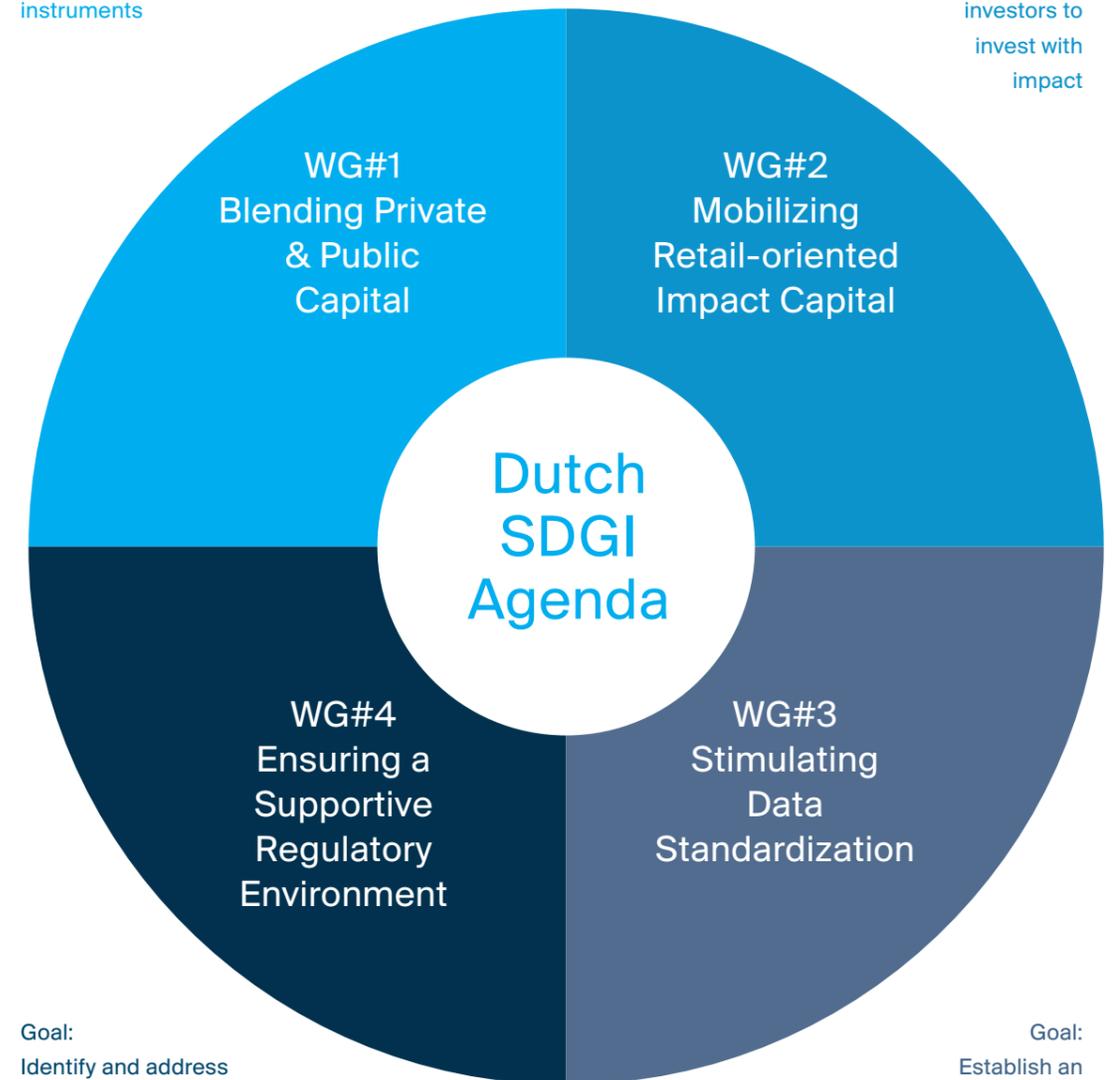
As noted earlier, sub-agendas were developed for each action area by four working groups – each led by our signatories. A visualization of the working groups and their goals is provided on the next page.

Recommendations per working group, the opportunity each working groups seeks to address, and the contextual factors that need to be considered in adopting the Agenda are provided in the following section.

Suggested priorities cut across the investment value chain and are believed to have a significant catalytic effect on sustainable investment, operations, and trade by Dutch actors. They are listed in the sequence or timeframe by which they are expected to be most relevant.

Goal:
Catalyze significant SDG investment through the systematic deployment of blended finance instruments

Goal:
Make SDG investment ‘the new normal’ by encouraging and enabling all Dutch retail investors to invest with impact



Goal:
Identify and address actual and perceived regulatory barriers and incentives to SDG investment

Goal:
Establish an enabling SDGI data environment by stimulating the uptake of sustainability indicators and standards

Blending Private & Public Capital

Goal: Catalyze significant SDG investment through the systematic deployment of blended finance instruments

WG#1 LED BY:



INTRODUCTION

Greater private investment is needed to finance the 2015 Agreements, in particular in emerging and developing markets. The Netherlands has a long history in building markets for sustainable and impact investment and has the ability to pioneer new ways to bridge private investment markets and development finance. We therefore encourage further government experimentation with risk mitigation or return-enhancing investment instruments, as well as the development of a proactive, integrated “blending agenda”.

In line with the OECD, we define blended finance as: “The strategic use of public and private funds, including concessional tools, to mobilize additional private/commercial capital in order to make investments possible in support of the SDGs that would not have happened otherwise”. This can be done at different levels: At the institutional, a fund, or at the client/project level. Two characteristics of blended finance stand out:

- 1) Its catalyzing role, i.e., the role of the grants/public funding element to make the risk-return profile of certain investments more attractive to private investors
- 2) Additionality, i.e., the objective to make possible investments that would not have happened otherwise

Important to note is that the OECD narrows its definition of blended finance to involve only emerging and frontier markets investments¹⁰. We don't: Whilst we support the notion that the vast majority of SDG needs relates to developing and emerging markets, there is a strong interest among the Dutch financial sector to also support SDG investments domestically and in other developed markets (e.g. in climate action).

Over the years, Dutch banks and institutional investors as well as the Dutch government have taken several initiatives to invest more in sustainability as shown in Exhibit 5, yet new investments have often failed to reach significant scale. Barriers include existing investment mandate guidelines, a lack of bankable projects, as well as development risks and country/political risks when investing in developing countries.

This working group has focused on reviewing how blending can help bridge this financing gap and channel more money from Dutch banks and institutional investors to SDG-related projects. Since the start of the project in June 2016, FMO and PGGM have conducted a qualitative assessment and a high-level review of existing vehicles, and initiated a number of discussions and workshops. This included several working sessions and conversations with fellow SDGI Signatories; representatives of the Dutch Ministry of Foreign Affairs, Economic Affairs, Environment & Infrastructure and Finance; as well as with leading actors in the space such as Atradius, NLII, Philips Medical and Lighting. We regard this assessment of opportunities just one milestone on our journey towards 2030 SDG success, and look forward to delivering on a successful blending agenda in the years ahead.

¹⁰ The current OECD definition of blended finance states that it is the strategic use of public or private funds, including concessional tools, to mobilise additional capital flows (public and/or private) to emerging and frontier markets (OECD, forthcoming).

Illustrative initiatives

MASSIF

The MASSIF fund provides much needed financial resources to small businesses and micro-entrepreneurs (MSMEs) by supporting the local financial intermediaries and institutions that can contribute to their development.

MASSIF supports clients in improving their management skills and technical expertise through our Capacity Development program.



Blending inside Supply Chains

An emerging trend in sustainable finance involve efforts to make global supply chains more sustainable and inclusive. Partial risk guarantee structures that enable corporations and producers to certify – and finance – their products and supply chain processes are set to become an important channel for blended SDG investment.



Case: Climate Investor 1



OPPORTUNITY

We distinguished two distinct reasons for blending as part of this Initiative, namely the opportunity to:

- Attract significant institutional investment capital towards SDG investment opportunities in domestic, developing, and emerging markets through optimal allocation of risks and a 'blending of capital'
- Leverage the full power of leading Dutch value chains ('topsectoren') to help increase the upside to investments, mitigate risk (perceptions), and increase the scale of the interventions at play

In doing so, the Dutch financial sector can get access to new markets and make a clear contribution towards realizing the SDGs. By capitalizing on these opportunities, The Netherlands has the potential to be a frontrunner in SDG financing, especially in the sectors it chooses to prioritise.

Important to note is that also globally, blending has been recognised. Institutions such as the EIB, OECD, the UN, and the World Economic Forum define the deployment of public sector capital to 'de-risk' private sector investments as a key success factor to realize the SDGs.

CONTEXT

Despite an uptake of innovative financing structures by Dutch actors, barriers to greater SDG investment exist. A leading barrier involves that existing investment opportunities do not meet threshold risk-return requirements.

Blending capital and crowding in private investment at scale requires the availability of risk capital, project pipeline, a real willingness to consider new investment and collaborative structures, at times – a relaxation of mandates, and globally, the presence of financial structuring expertise.

The Dutch government has been contributing to blended finance for years through funds like MASSIF, where public capital is typically applied to fund young

institutions that are subsequently funded by private capital e.g. through microfinance funds. Similarly, through initiatives such as NLI, the establishment of a Dutch innovative finance team inside the Ministry of Foreign Affairs, as well as advanced experimentation with vehicles such as Climate Investor 1, new structures have emerged that combine public and private capital.

RECOMMENDATIONS

A select set of recommendations were defined by this working group:

1.1 FIN: Set institutional targets for sustainable or SDG investing as feasible, and proactively address internal barriers to SDGI

1.2 FIN/REG: Pool institutional funds and resources where feasible to enable economies of scale, and further adoption among smaller institutions (e.g., pension funds) and wealth holders

1.3 GOV: Enhance and develop public risk-return enhancing solutions in close consultation with the financial sector, in order to crowd in greater institutional capital towards the SDGI and to leverage government spending

1.4 FIN/GOV: Advance integrated structured financing solutions where feasible that cut across the lifecycle of investments with a focus on more 'investable' sectors – energy, infrastructure and water, agri & food, and healthcare

1.5 GOV: Offer a 'one-stop-blending-shop' that guides projects requiring public sector support through government bureaucracies as needed

CRITICAL LINKS

2.5 / 4.1 / 4.2

Further detail is available in a separate working group discussion paper which is available at www.sdgi-nl.org



IMPACT GOAL

To accelerate the delivery of renewable energy projects in developing markets.

CHALLENGE

Due to a lack of available and readily deployable finance and insufficient bankable projects, infrastructure projects are not sufficiently coming off the ground in developing markets. Specific blockages at each stage of the process are:

- **Lack of bankable projects:** Despite a pressing need for investment in infrastructure in developing markets, very few projects reach financial closure, this is primarily due to a lack of appropriate structuring and project development. More funding is needed for project preparation in order to ensure projects are developed in a robust manner.

- **High cost of capital:** Many of the target countries present a higher risk profile compared to developed markets, increasing the cost of capital for developers operating in those geographies. Innovative solutions are needed to ensure projects do not fail because of lack of timely access to capital.

- **Limited exit/refinancing options for investors:** Banks and institutional investors take a largely opportunistic approach to infrastructure in developing markets. The limited capacity of local capital markets and the high cost of structuring transactions means projects can be left without financial support. Even finance from DFIs can be cumbersome and take a long time to deploy.

• Investment Mandate of institutional investors focus on OECD markets & operational stage:

With an ECA guarantee structure in place for institutional investors, a high portion of risk is mitigated. Yet, it needs to be more attractive for institutional investors to enter in an earlier (construction) phase and explore developing market opportunities to truly unlock institutional capital.

SOLUTION

Through its innovative blended finance structure, Climate Investor 1 mobilizes donor and private capital to finance renewable energy projects in developing markets. The facility aims to help fast-track renewable energy projects in developing countries, mobilizing an estimated \$1bn in finance, and reducing 1.5 million tons of CO₂ per annum.

The approach is to provide capital for projects throughout the project lifecycle, with a particular focus on solar, wind and run-of-the-river hydro technologies.

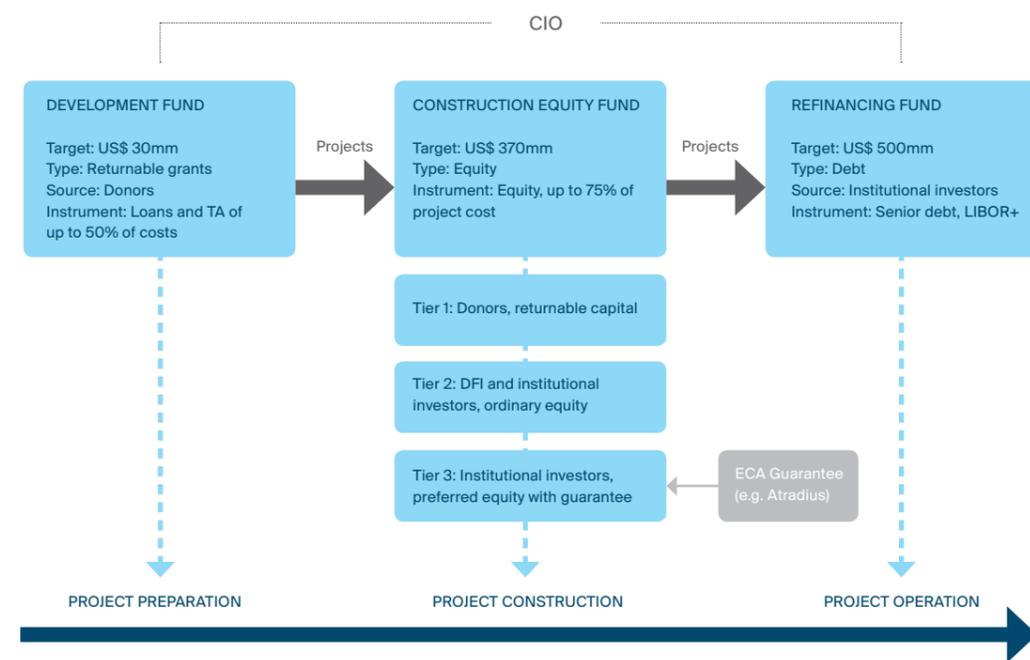
Climate Investor 1 was designed specifically with the aim of supporting infrastructure projects from development to completion. It comprises three sub-funds each coinciding with the three main phases of project finance: project preparation, construction and operations. It aims to cover all three cycles and include institutional investors at an earlier stage while still taking into account the risk / return institutional investors need.

By accessing different types of capital for a number of sub-pools, Climate Investor 1 is able to offer construction equity to developers at an acceptable cost of capital. The construction equity fund is arguably the most innovative part of the vehicle, and the part which most heavily relies on being able to access capital with different risk-return expectations. The figure below shows Climate Investor 1's innovative approach to include institutional and commercial investors at an earlier stage.

LOOKING AHEAD

Climate Investor 1 provides a sample investment vehicle of which the structure can be considered in future blending efforts. The vehicle as well as the process of bringing Climate Investor 1 to market helped shape our Working Group assessment and recommendations, most importantly priorities 1.3 (the development of risk-return enhancing solutions) and 1.4 (the advancement of integrated structured finance solutions).

Exhibit 4: Climate Investor 1 Innovative approach



¹¹ While not comprehensive in nature, this table provides an overview of available capital (i.e., "facilities") for stimulating and/or catalyzing private sector investment in the SDGs, as well as a short-list of existing blended finance structures (i.e., "investment vehicles"). For each facility and investment vehicle, relevant SDGs were added. Also, leveraging the blended finance concepts that were developed by the World Economic Forum (WEF), the stage or level of maturity (i.e., "market segment") that is targeted with each facility or vehicle was added. WEF differentiates between five segments: Preparing, pioneering, facilitating, anchoring, and transitioning. For more information, see their Blended Finance Toolkit.

Exhibit 5: Illustrative Overview of Dutch Blending Facilities & Investment Vehicles¹¹

OVERVIEW		IMPACT FOCUS			
Facility / Vehicle Name	Description	Relevant SDGs	Market Segment	Geographic Focus	Owner/Lead
FACILITIES: Available resources which stimulate and/or catalyze private sector investment					
Environmental					
Acces to Energy Fund (AEF)	Facility which supports energy generation, transmission and distribution projects in developing countries	7, 12, 13	Preparing	Developing	FMO, Ministry of Foreign Affairs
Infrastructure Development Fund (IDF)	Facility targeted in order to finance infrastructure projects to positively impact social-economic development or make significant improvements in areas such as agribusiness, water, transport, and environment in developing countries	12, 13, 15	Preparing, Transitioning	Developing	FMO, Ministry of Foreign Affairs
Environmental Investment Rebate (MIA)	Facility which offers a fiscal advantage to investment related to environment topics to encounter climate change in the Netherlands	7, 11, 12, 13, 15	Facilitating Transitioning	Developed	Ministry of I&E, RVO
Green Regulations (Groen Regelingen)	Facility targeted at stimulating investment in environmental related topics in order to encounter climate change, circular economy, and sustainable energy	7, 11, 12, 13	Pioneering Transitioning	Developed	Ministry of I&E, RVO
Renewable Energy Subsidy	Facility targeted at subsidizing projects which are focused on developing renewable energy sources in developing countries	7, 11, 12, 13, 15	Pioneering	Developed	Ministry of I&E, RVO
Multiple Agreement on energy efficiency (MIA3)	Facility targeted to involve private sector's investments in projects related to energy efficiency (Co ₂ -emission) in the Netherlands	7, 11, 12, 13, 15	Transitioning	Developed	Ministry of I&E, RVO
Green Climate Fund	Facility targeted to expand collective human action in response to climate change. The Fund aims to mobilize funding at scale to invest in low-emission and climate-resilient development globally	7, 11, 12, 13, 15	Pioneering Transitioning	Developing	Ministry of Foreign Affairs
Social					
Fund Sustainable Water (FDW)	Facility focused on public-private partnerships in order to improve water facilities and sanitation in developing countries	3, 6, 13, 15	Pioneering Facilitating	Developing	Ministry of Foreign Affairs, RVO
Facility for Entrepreneurship and Agrifood Program (FDOV)	Facility focused on public-private partnerships in order to improve food securitization and private sector development in developing countries	3, 8	Pioneering Facilitating	Developing	Ministry of Foreign Affairs, RVO
Product Developed Partnerships (PDP III)	Facility focused on public-private partnerships to improve health care, technology related systems and products in developing countries	3, 8		Developing	Ministry of Foreign Affairs, RVO
Economic					
Massif	Facility which provides financial resources to small businesses and micro-entrepreneurs (MSMEs) in developing countries by supporting the local financial intermediaries and institutions that can contribute to their development	1, 8, 10	Pioneering Facilitating	Developing	FMO, Ministry of Foreign Affairs
Dutch Trade and Investment Fund (DTIF)	Facility targeted at stimulating Dutch investors to invest in foreign markets	8	Facilitating	Developed	Ministry of Foreign Affairs
Dutch Good Growth Fund (track 1)	Facility targeted at stimulating Dutch investors to invest in emerging markets/ developing markets.	1, 8, 10	Facilitation	Developing & Emerging	Ministry of Foreign Affairs, Attradius
Dutch Good Growth Fund (track 2)	Facility targeted at stimulating dutch investors to export to emerging markets/ developing markets.	1, 8, 10	Facilitating	Developing & Emerging	Ministry of Foreign Affairs, Attradius
Development Related Investment Vehicle (DRIVE)	Facility targeted at stimulating dutch investors to invest in infrastructural projects in developing countries	8, 9, 10	Pioneering Facilitating	Developing & Emerging	Ministry of Foreign Affairs
Growth Facility (Groeifaciliteit)	Facility targeted at enabling corporations to take risk-carrying investments by offering guarantees over their assets	8, 9	Transitioning	Developed	Ministry of Economic Affairs
SEED Capital	Facility targeted at stimulating Dutch investors to invest in innovative & creative start-ups	8, 9	Pioneering	Developed	Ministry of Economic Affairs
World Bank Global Infrastructure Facility	Facility focused on stimulating investment in infrastructural projects in developing countries	9	Pioneering Facilitating	Developing	World Bank
Export Credit Insurance (EKV)	Facility focused on providing corporations with risk-carrying exportations with a credit insurance in order to stimulate export to non-European countries	8, 9	Facilitating	Developing, Emerging, and Developed	Attradius, Ministry of Finance, Foreign Affairs
INVESTMENT VEHICLES: Illustrative existing investment opportunities that take advantage of 'blending' or catalytic financing mechanisms					
Climate Investor I	Facility focused on stimulating foreign investors to invest in renewable energy sources in emerging markets	7, 11, 12, 13	All market segments	Emerging	FMO, Ministry of Foreign Affairs
Conflict-Affected & Fragile Economies Facility (CAFE)	Facility targeted at stimulating the most fragile economies by providing political risk insurance for foreign investors	1, 8, 11	Pioneering	Developing	World Bank
Global Agricultural Food Security Program (GAFSP)	Facility focused on stimulating foreign investment in agricultural programs - and food securitization in developing countries	1, 2, 8, 11	Facilitating	Developing	International Finance Corporation
Rabobank Sustainable Supply Chains & Agriculture	Facility which provides a partial risk guarantee in order to finance agricultural companies in developing countries as well as providing for certification of their farming processes and products	12, 14, 15, 12	Facilitating	Emerging	Rabobank
Euripides2	Facility with a focus on investment in research centre with a special focus on strategic topics which are relevant for both the EU/ government as the financial sector	9	Pioneering	Developed	European Union
European Fund for Strategic Investment (EFSI)	Facility targeted at stimulating strategic and sustainable investments in order to achieve structural economic growth in the European Union	11, 12, 13	Facilitating	Developed	European Union

Source: FMO / PGM / government desk research (2016), Blended Finance Toolkit, WEF (2015)

Mobilizing Retail-Oriented Impact Capital

Goal: Make SDG investment 'the new normal' by encouraging and enabling all Dutch retail investors to invest with impact

WG#2 LED BY:



INTRODUCTION

To achieve the SDGs in 2030, more money needs to be allocated to positive solutions for global challenges. Developing countries alone have an average annual funding shortfall over 2015-2030 of \$2500 billion each year¹². Increased participation of retail investors in SDG financing can help bridge this multi trillion-dollar gap.

We believe that the involvement of retail and private banking capital is critical to broaden the SDG Agenda to a wider audience, to create a possibility to act for individuals, and to mobilize the capital needed to achieve 2030 success. As a country, we have a long tradition in retail-oriented sustainable finance. We take pride in the leading positions that value banks such as Triodos Bank and ASN Bank have taken globally and in the role that banks like ABN AMRO, ING bank and Rabobank take as distribution partners. Similarly, a source of pride is the pioneering role our country has taken in rolling out retail-oriented impact funds - as early as 1968 when Oikocredit opened its doors, and as recently as March of this year when ABN AMRO and FMO (Dutch Development Bank) launched their FMO Privium Impact Fund.

The working group has identified concrete ways to 'make the SDGs matter to' and to trigger market-wide uptake of impact investing by all retail investors. Findings in the report are based on the professional experience of the WG Leads, available market research, and a review by fellow retail institutions¹³.

OPPORTUNITY

Today, a growing impact investment market provides capital to address the world's most pressing challenges in sectors such as agriculture, clean tech, microfinance, and basic human services. We believe that:

- Channelling investments of a wider group of retail investors towards the SDGs helps bridging the large SDG funding gap.
- Retail impact investing provides an opportunity for individuals to contribute to the SDGs, it creates a concrete possibility to act. An SDG investment provides a tangible, direct connection of a person's investment to society.
- Retail SDG investing stimulates long-term thinking in the financial sector and innovation that benefits the real economy.

Retail investors challenge the financial sector to transparently manage and communicate both the financial (risk, return) and societal (environmental, social) aspects of their investments. All in all, retail SDG investment helps to build a more resilient private investment industry and investor culture that is more practiced at understanding all aspects of an investment, and is better equipped to form judgments about financial and social interests.

¹² UNCTAD World Investment Report 2014; Note that this amount involves a subset of the total financing need that was described in Chapter 1, and addresses the financing gap, not the full financing need.

¹³ Detailed findings are captured in the full WG report which is available online at www.sdgi-nl.org

Illustrative initiatives

Oikocredit

One of the oldest impact investment institutions, invests in fair trade, microfinance, and agriculture in over 60 countries.

It serves as a model of a truly global impact investment fund open to retail investors. The cooperative includes 52,000 investors from over 20 countries and has over €800m in assets.



FMO Privium Impact fund

Launched in 2016 by ABN AMRO and FMO, the fund provides the opportunity to co-invest in loans to private sector companies in emerging markets. The fund's impact is measured by jobs supported and created, avoided Greenhouse Gas emissions, the number of entrepreneurs reached, energy production and the number of persons with access to energy. Targeted fund size is €300m.



Triodos Multi Impact Fund

Launched in 2015, Triodos Multi Impact Fund offers retail investors the opportunity to make their money work in multiple sectors that are key in the transition to a fairer and more sustainable economy: renewable energy, organic agriculture, microfinance, arts & culture, and sustainable trade. Fund size as of November 2016 is €36m.



- SDG investments provide an opportunity to stimulate individual pension solutions to take a long term investment approach that include SDG investment strategies. On top of potential financial and diversification benefits, the thesis is that these investments will benefit society and each pension holder in 2030.

As can be seen in the box below, evidence suggests that there is market demand from individual investors for SDG investments in The Netherlands. Today, the market for sustainable savings and investments grows faster than conventional savings and investments.

Quick Facts on Sustainable Investing in The Netherlands

SUSTAINABLE INVESTING: The worldwide market for sustainable investing as well as impact investing is growing year on year¹⁴. By comparison, the total Dutch market of sustainable investments amounts to 13 billion Euros, which implies a strong growth of 39,8% between 2013 and 2014. This includes an increase in capital invested in sustainable funds.¹⁵

SUSTAINABLE SAVINGS: The Dutch market of sustainable savings continued its trend of growth in 2014. Sustainable savings increased by 3,7% to a total value of 16 billion Euros. This is higher than the conventional savings market, which has seen a smaller increase of 2,1%¹⁶

CITIZEN & INVESTOR SENTIMENT: The Dutch Wealth Report of 2015 outlines that about fifty percent of Dutch millionaires/wealthy persons are interested in impact investing¹⁷. Similarly, supporting environmental and social themes with money is important to Dutch citizens: More than 50% of the Dutch donate to charities,¹⁸ while the Netherlands ranks as number 7 just behind UK in the CAF WORLD GIVING INDEX 2015¹⁹.

Moreover, a majority of surveyed investors is interested in making impact investments, while we see indirect evidence in the fact that individuals are willing to support environmental and social challenges through their donations.

A broad array of SDG-related impact investments exists across asset classes and impact themes.

These impact investing funds show a broad spectrum of risk-return balances, from below-market-rate to market-rate. While some funds may accept higher costs or lower return in order to achieve certain social or environmental impact, others target market-rate returns and cost structures.

The fundamental difference between impact funds and mainstream funds is not the relationship between risk and return, but the intent to create impact with the investments. Some examples of such themed funds are listed in Exhibit 6. More examples of funds and alternative instruments available to retail investors (such as crowdfunding, impact bonds etc.) can be found in the more detailed working group report.

CONTEXT

Although there is a large opportunity and the investor demand is apparent, only a small share of this market is currently invested in impact investing. The movement remains relatively small and constrained.

There are various barriers to widening the scope of impact investing to the wider public and making retail impact investing “the new normal”:

¹⁴ JP Morgan & GIIN market survey 2016

¹⁵ VBDO: Duurzaam Sparen en Beleggen 2015: Idealen en vermogen in beheer

¹⁶ VBDO: Duurzaam Sparen en Beleggen 2015: Idealen en vermogen in beheer

¹⁷ see <https://www.vanlanschot.nl/actueel/nieuwsoverzicht/20150520-vermogen-nederland-2015>

¹⁸ <http://www.goededoelen.nl/sites/default/files/feitencijfers2014.pdf>

¹⁹ CAF WORLD GIVING INDEX 2015 A global view of giving trends, November 2015

A Lack of SDG & Impact Investing Awareness

- The SDGs have gained a lot of momentum among a select few, yet are less known among the general public. Awareness needs to extend to citizens, consumers, and investors.
- Impact investing is little known among retail investors and their financial advisors. By raising awareness about impact investing and its contributions to the SDGs, advisors can crowd in more capital.
- The financial system has tacitly separated people from understanding the connection between their money and the positive influence their money can have on real world needs and activities. Awareness raising is a first step in empowering people to invest their money for change.

Product Offering & Organizational Readiness

- While considerable progress has been made in recent years (See Exhibit 6), more impact investing funds and a more diverse fund offering is needed in terms of liquidity, fund size, and risk-return balance. Reporting standards about impact are emerging and require financial service providers to enhance their data universe with non-financial data and to report on (and explain) their impact. This requires more operational effort and costs and potentially puts pressure on margins for the distribution of impact investment products.
- Financial advisors need to be trained on the values and practices that underpin impact investing, a clear barrier to prudently advising on ways to invest with impact.
- Successful SDG investing could require costs for on-the-ground project monitoring and business development support, costs which are needed to achieve social and environmental gains at the level of the real economy. If this results in higher costs, this will need to be accurately explained to the investor.

Unnecessarily Restrictive Regulations

- Regulatory minimum investments thresholds limit broadening of the investment to impact a broader audience and subsequent diversification towards retail investors.

- There can be a mistaken classification of impact investing instruments as complex, with negative consequences for retail distribution. Many impact investing funds invest in non-listed debt or equity, and are thus classified as an Alternative Investment Fund (AIF). Following the logic of “Listed is simple” and “AIF is complex”, distributors in the market will tend to classify all impact investing funds automatically as “complex” with consequences for the distribution. This may limit retail investors’ access to impact investing products.
- Consumer protection and duty of care – as described in laws like MiFID II – are key. Yet, if not carefully managed, such laws can become an argument for distributors to limit or avoid offering SDG investments.

RECOMMENDATIONS

Recommendations that have emerged from our Working Group sessions include:

- 2.1 ALL:** Launch an SDG campaign to increase awareness of the SDGs and flag the opportunity for all to invest in the 2030 Agenda
- 2.2 FIN:** Promote the relevance of a long-term investment approach and inclusion of SDG investment in private investor portfolios as feasible
- 2.3 REG:** Facilitate SDG investments among retail investors by avoiding that non-complex impact investing funds are unnecessarily classified as such, which can have the consequence that ‘non-complex’ AIFs are not distributed to retail investors
- 2.4 FIN/GOV:** Align pension savings schemes and regulations as possible to enable SDGI among individual pension savers
- 2.5 FIN:** Strengthen advisor capabilities by engaging in a sector-wide SDG and impact investing training initiative across wealth advisors, banks, pension funds, and life insurers (E.g., through CFA modules, University curricula)

CRITICAL LINKS

3.2. / 4.1 / 4.2

Further detail is available in a separate working group report which is available at www.sdgi-nl.org

Case: International Retail Impact Examples



Internationally, we have seen an uptake in impact retail products. Two examples that are worth calling out, although not available to Dutch retail investors, are:

DENMARK

Project-based community energy initiatives

In Denmark, the Promotion of Renewable Energy Act requires that citizens living within 4,5 km of a new turbine are given the option to invest in the project directly. This possibility of turbines to be citizen-owned has increased the community acceptance of large on-shore infrastructure such as wind turbines. The majority of wind turbines are wholly or jointly owned by local people, communities, landowners and farmers. Moreover, the partnering of developers with municipal government has helped getting projects past the difficult pre-feasibility stage. A government fund provides a guarantee of up to 500.000 DKK (around €65.000) for community groups taking on loans to manage pre-feasibility work themselves. If a project fails and the loan cannot be repaid, the community group can use the guarantee. This stimulates communities to start projects themselves, in partnership with developers and municipalities.



FRANCE

The Solidarity Finance Movement

In France, Solidarity Pensions are bringing retail social investment into the mainstream, with over a million of investors to date. Regulation has stimulated this movement by requiring corporations to offer so-called 'corporate solidarity employee savings funds' as an option to all employee saving schemes. In these funds, 90-95% is invested in listed SRI and 5-10% in unlisted solidarity organisations, organisations that have a strong social and/or environmental benefit and reinvest the majority of profits back into the organisation. The organisation Finansol has played an important role in making social investment structures more accessible to the retail public, a.o. by advocating tax breaks for investors and by certifying solidarity financing vehicles. (www.finansol.org). France's 'Solidarity Investment Fund' has been functioning for more than a decade and has raised more than €4.8 billion²⁰.



²⁰ <https://www.bigsocietycapital.com/latest/type/research/good-pensions>

Exhibit 6: Illustrative Available "SDG Retail Products" in The Netherlands²¹

Funds and asset classes	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
FIXED INCOME																	
ASN Groenprojectenfonds																	
FMO Privium Impact Fund																	
ING Groenfinanciering																	
NN Euro Green Bond Fund																	
Triodos Sustainable Trade and Agriculture Fund																	
Triodos Groenfonds																	
Triodos Multi Impact Fund																	
Triodos Cultuurfonds																	
PUBLIC EQUITY																	
ASN Milieu & Water fonds																	
NN Global Sustainable Opportunities Fund																	
RobecoSAM																	
- Sustainable Agribusiness																	
- Smart Energy																	
- Smart Materials																	
- Sustainable Healthy Living																	
- Sustainable Water																	
- Global Child Impact Equities																	
- Global Gender Equality Impact Equities																	
Triodos Sustainable Pioneer Fund																	
HYBRID DEBT/EQUITY																	
ASN - Novib Microkredietfonds																	
ING Impact Finance																	
Triodos Fair Share Fund																	
PRIVATE EQUITY																	
Triodos Organic Growth Fund																	
REAL ASSETS																	
Triodos Vastgoed Fonds																	
Triodos Renewable Europe Fund																	
SAVINGS PRODUCTS																	
ASN Ideaalsparen																	
ING Groenspaar regeling																	
Rabo Groenspaarregeling																	

Source: ABN Amro / Triodos desk research and analysis; Signatory input (2016)

²¹ This table was created for illustrative purposes and only shows a subset of retail products that are available in the Dutch market through SDGI

Signatories. Via their bank, Dutch retail investors also have access to a broad range of foreign retail impact funds. These are not included in this table.

Stimulating Data Standardization

Goal: Establish an enabling SDGI data environment by stimulating the uptake of sustainability indicators and standards

WG#3 LED BY:
CCHANGE

INTRODUCTION

In November 2016, Jim Kim, President of the World Bank, flagged the need for a global financial system that is 'fit for purpose' to deliver on the global sustainability agenda. A lack of data is cited over and over again as a barrier to the emergence of such systems, and – given its critical role in mainstreaming 'SDG investing' – focus of the third Working Group of the SDG Investing Agenda.

The last few years have seen promising initiatives in standard setting and data aggregation, both in the sustainable and responsible investing market and in the impact investing market – including targeted promising initiatives with big data methodologies. The 2030 Sustainable Development Agenda – which includes 17 goals, 169 sub-goals, and as many as 230 indicators – has helped to reinvigorate such efforts.

In its 2014 Impact Measurement Report, the Social Impact Investment Taskforce spoke of an ideal future state of capital markets in which *"material, reliable, comparable, additional impact data is universally available"*²². With this vision in mind, the efforts of this Working Group have focused on unpacking (1) what role the SDGs could play in bringing impact and sustainability considerations to the fore in institutional investment decisions; (2) what efforts are ongoing, nationally and internationally, to increase the uptake of SDGI indicators and standards among the investing community;

and (3) what a path forward could look like in context of this Dutch SDGI Agenda – for its signatories, the Dutch government, and the regulator alike.

Inputs considered extensive desk research; expert interviews; and a working session among Dutch financial institutions, data providers, the Dutch government, and standard setting bodies. It is clear that quite a few questions remain related to the role of the SDG framework in investor decision making. Our hope is that this discussion document can serve as a useful starting point for advancing an SDGI data agenda and help trigger individual and collective action in context of this Initiative.

OPPORTUNITY

The SDGs are different from ESG best in class approaches, which are traditionally used by investors willing to integrate ESG into their investment process to mitigate long term risks. As an absolute standard, it can be used for reporting purpose and communication, and offer at least three benefits:

1. Scaling 'SDG Investment' ...

The SDGs offer a simple and attractive entry point for investors not yet engaged in SDG and/or impact investing to build out their impact portfolios, thereby driving more private capital towards the SDGs. Similarly, increasing market insight will help to scale high-impact investments ("from millions to billions").

²² Impact Measurement: Subject Paper of the Social Impact Investment Taskforce, 2014.

²³ Working Session "Setting Started: Advancing the Uptake of SDG Indicators & Standards", November 4th 2016

Illustrative initiatives

DUTCH SDG BASELINE REPORT



In its publication 'Meten van SDGs: Een Eerste Beeld voor Nederland', the Central Bureau for Statistics (CBS) provides a baseline SDG dataset for The Netherlands. The report contains data on 1/3 of all SDG indicators, and emphasizes the importance of national SDG strategies and policy goals. The study will be repeated mid 2017.



INSTITUTIONAL SDI COMMITMENT



In September 2016, Signatories APG, PGGM, MN, Actiam, and Kempen Van Lanschot committed to investing in Sustainable Development Investments (SDIs), and to make efforts to better measure their investments' contribution to the SDGs.

... Responsibly

With our aspiration to scale or mainstream SDGI globally, comes the need to safeguard a responsible evolution of such SDGI markets. The risk of ‘green or SDG washing’ is one that was frequently brought up as a possible unintended consequence of the Framework that requires attention.

2. Shifting from Process to Outcomes:

Corporations and investors in mainstream capital markets today have mostly reported on the processes that underpin their ESG performance. The outcomes or impacts of investments are rarely tracked or reported. The SDGs will help us shift from processes to measuring outcomes or impacts of investments.²³

3. Building Bridges Across Stakeholders:

The SDGs were adopted by all sectors and offer a useful communication framework between stakeholders. It helps simplify and articulate the relationship between investments and impact goals, and helps build bridges between investors and investees, investors and governments (e.g., through Blending - WG#1), etc. The notion of using the SDGs to stimulate the uptake of SDG(I) indicators and standards is gaining traction globally. Finding ways to collaborate on this topic, we therefore regard a key element of this Agenda.

CONTEXT

Our review highlighted a select set of factors that should be considered if SDGs are to be adopted by institutional investors:

- A select set of risks need to be considered before they the SDGs can be adopted by the investor community as the impact framework of choice, and can be loosely mapped against each of the earlier identified reasons for using the SDG Framework (See Exhibit 7).
- Full ‘SDG integration’ into global financial systems requires active participation of a large number of global and national players. An overview of relevant efforts is provided in Exhibit 8 and 9. Achieving alignment between these players require a willingness to harmonize efforts between players.
- The novelty of the SDG Framework as well as the nascent and global nature of SDG and impact investing markets, imply the need for a deliberate, yet emergent roadmap towards SDG(I) data alignment. While it is clear that we are building the car while driving it, finding ways to align efforts early will help.
- To ‘rewire’ capital markets to be truly fit for purpose and to guarantee a swift progression towards such markets, ongoing collaboration across the financial sector, government, and the regulator is key.
- Resources for achieving alignment and building an interoperable data environment are needed to achieve success: We cannot forget to invest in the plumbing of the SDG(I) data agenda.

RECOMMENDATIONS

The advancement and use of “material, reliable, comparable, and additional impact data” in global capital markets is important and urgent. Only then can a global financial system that is fit for purpose – as described by Jim Kim – emerge. The SDG Framework can play a meaningful role in this process. In support of this belief, we formulated the following recommendations regarding SDGI Data:

- 3.1. FIN:** Collaborate to determine a select set of SDG indicators for tracking institutional SDG investments, that can be used to track and compare sustainable development investments
- 3.2 ALL:** Stimulate the uptake of sustainability standards in reports, benchmarks, and indices alongside national and international agencies – giving appropriate attention to both ESG and SDG indicators
- 3.3. GOV:** Clarify its SDG ‘data’ ambition and approach to measuring private sector

contributions to the 2030 Agenda, to ensure efficient and value-added data capturing and reporting processes
3.4. GOV: Make relevant SDG and market information available as feasible (incl. Country level information from embassies, private sector SDG contributions, etc.) in anticipation of a universal SDG(I) data infrastructure

CRITICAL LINKS

1.1 / 2.2. / 2.5 / 4.2

Exhibit 7: Contextual Drivers & Possible Risks to SDG Adoption

RELATED TO ...	REASONS FOR ADOPTING THE SDGS	POSSIBLE RISKS TO CONSIDER
SCALING SDGI RESPONSIBLY	An easy to understand, absolute impact framework towards which investors with an intention to invest with impact can steer their capital	- Conversion of the development framework to an institutional investor context is needed, as not all indicators are relevant and/or easily applied to a market context - The involvement of both companies and investors is required to ensure both sides of global markets are covered and aligned - Taking steps to ensure responsible “roll out” – e.g., through standardization and validation – is important to avoid window dressing or ‘SDG washing’
SHIFTING TO OUTCOMES & IMPACT	Helps investors and organizations to select the impact areas that they are most passionate about addressing, streamlining one’s impact and SDG investing activities. Offers a taxonomy that can be used to review one’s impact across impact areas through a single framework – offering a starting point for all impact assessments.	Considering interdependencies between impact areas (e.g., 14: Life below water’, may negatively affect 2: Zero Hunger’) will be important to ensure both positive and negative impacts are managed in portfolios appropriately As the SDGs were not designed to serve as a comprehensive framework for evaluating social progress, it leaves out select impact areas with relevance. This means that a willingness to add indicators as needed is required.
BUILDING BRIDGES	Extends beyond sectoral boundaries, offering a line of sight to a universal taxonomy among investors, civil society, and government alike. Provides a framework that can be applied across geographies – i.e., in developed, emerging, and developing markets alike.	Integration with approaches across sectors or market segments that already have scale (e.g., GRI, IRIS, IATI, OECD-DAC, CDP) is critical to a value added adoption of the SDGs as a framework of choice. To ensure global adoption, involvement of statistical offices is key as only a small sub-set of the indicators is captured in existing statistical data sets

Exhibit 8: Private Sector Sustainability Reporting & Standard Setting Initiatives

INITIATIVE	LEAD	PRIMARY USER	GEOGRAPHY
PRIVATE SECTOR INDICATOR REPOSITORIES			
SDG Toolkit & Compass, incl. SDG Compass Indicator repository SDG Business Hub Social Capital Protocol	GRI, UN Global Compact, WBCSD	Corporations - No user statistics available	Global
Impact Reporting & Investing Standards (IRIS), incl. Case studies of SDG Alignment	Global Impact Investing Network (GIIN)	Impact Investors - 65% of respondents to annual survey use IRIS; 5000+ report on performance	Global
PRIVATE SECTOR REPORTING STANDARDS & FRAMEWORKS			
Climate Disclosure Standards, incl. Climate Change; Water; Supply Chain; & Forests	Carbon Disclosure Project (CDP)	Corporations & Investors - 822 institutions holding \$95 Trn in Assets	Global
Dutch Covenant Process, incl. Banking (2016); Insurance Covenant (2017)	Dutch Social & Economic Council (SER); Ministry of Foreign Affairs / Economic Affairs; VNO-NCW	Dutch Business Verticals/ Sectors	The Netherlands
GRI Sustainability Reporting Standards, incl. GRI/ SDG indicator alignment tool	Global Reporting Initiative (GRI)	Corporations - 74% of Fortune's Global 250 companies used GRI in 2015	Global
Integrated Reporting (IR) Framework	International Integrated Reporting Council (IIRC)	Corporations & Investors - More than 1000 globally	Global
ISO Social Responsibility Standards, incl. ISO 26000, ISO 20400	International Standards Organization (ISO)	Corporations 75+ countries have adopted ISO26000 as a national standard	Global
Sustainability Accounting Standards Board (SASB), incl. Standards for 79 industries in 11 sectors	Multiple, Chaired by Michael Bloomberg	Investors & Public Corporations	United States
Natural Capital Protocol	Natural Capital Coalition, led by IUCN, WBCSD	All Sectors	Global
ILLUSTRATIVE PRIVATE SECTOR RATINGS, INDICES & BENCHMARKS			
Corporate Human Rights Benchmark, incl. 100 global corporates, 100 criteria	APG, AVIVA, BHRR, Calvert Investments, Eiris, IBHR, Nordea, VBDO	Consumers of Banking & Insurance Services	The Netherlands
Eerlijke Bankwijzer / Verzekeringwijzer, incl. Comparison of top 10 Dutch providers	Oxfam Novib, Amnesty International, Milieudefensie, FNV, Dierenbescherming, PAX	Consumers of Banking & Insurance Services	The Netherlands
Global Real Estate Sustainability Benchmark, incl. GRESB Infrastructure Benchmark (under dev.)	Industry-led Initiative	Real Estate Investors Investors	Global
National Private Sector Benchmarks, incl. Pension Fund, Human Rights benchmarks	VBDO	Institutional Investors	The Netherlands
MSCI Sustainable Impact Data Sets, incl. ACWI Sustainable Impact Index, Sustainable Impact Metrics, and Sustainable Impact Snapshot	MSCI	Institutional Investors	Global

Source: C-Change desk research (2016); Generated with support from SDGI signatory NN.

Exhibit 9: Relevant Sustainability Data Sets & Coalitions

INITIATIVE	LEAD	PRIMARY USER	GEOGRAPHY
SDG NEEDS ASSESSMENTS & DATA SETS			
Dutch SDG Statistics 2015, incl. Baseline assessment and analysis	Central Bureau for Statistics (CBS)	All Sectors	Global
SDG Index & Dashboards	Sustainable Development Solutions Network (SDSN) & Bertelsmann Stiftung	Public sector decision-makers	Global
The People's Report Card	Social Progress Imperative (SPI)	Public sector decision-makers	Global
RELEVANT DEVELOPMENT DATA SETS & INDICATOR REPOSITORIES			
IATI Standards, incl. ~4700 data sets	International Aid and Transparency Initiative (IATI)	Donors - 491 institutions based in 40+ countries (2016)	Global
Total Official Support for Sustainable Development (TOSSD), incl. Revamp OECD-DAC	OECD - Development Co-Operation Directorate (DCD-DAC)	Public sector decision-makers	Global
OTHER RELEVANT COALITIONS & DATA PLATFORMS			
Global Partnership for Sustainable Development Data, incl. Data4SDGs Toolbox	United Nations	All Sectors	Global
Global Pulse, incl. Initiatives for on-the-ground data collection	United Nations	All Sectors	Global
Measure What Matters (MWM) Initiative, incl. Convening agenda on data harmonization	Green Economy Coalition, A4S, GRI, IIED, Stockholm Environment Institute (SEI)	All Sectors	Global
SII Impact Measurement Expert Group, incl. Development of a global SII Data Framework	OECD	Impact Investors & Public Sector Officials	Global
Sustainable Stock Exchanges (SSE) Initiative, incl. Cross-sector Consultative Group (CG)	UNCTAD, UN Global Compact, UNPRI, UNEP-FI	55+ Global Stock Exchanges & Expert Advisors Across Sectors	Global
UNPRI SDG Taskforce, incl. SDG Survey Among Institutional Investors	UNPRI	Institutional Investors	Global

Source: C-Change desk research (2016); Generated with support from SDGI signatory NN.

Ensuring a Supportive Regulatory Environment

Goal: Identify and address actual and perceived regulatory barriers and incentives to SDG investment

Regulatory barriers are a frequently mentioned constraint to mainstreaming sustainable – or in our case SDG – investing. At the Impact Summit Europe 2016 – the event that triggered the development of this SDGI Agenda – a number of such factors were called out by speakers and panel members. Especially regulatory constraints related to liquidity, currency, and political risk factors were mentioned. At the same event, Frank Elderson, Executive Director at the Dutch Central Bank – in response – invited the Dutch investor community to review such barriers and engage in an active dialogue on the topic.

A working group as part of the Platform for Sustainable Finance is currently conducting an analysis of possible regulatory barriers and incentives related to sustainable finance. Signatories Delta Lloyd, MN, NIBC, and PGGM take part in this working group. This work has a longer time-horizon than some of the other focus areas. As such, work is still ongoing. A preliminary review of regulatory barriers our Signatories experienced, showed that current legislation is in fact less constraining than often implied. Some roadblocks did emerge, although most of them were not (directly) regulatory related:

- **Market-level and demand-driven barriers**, including a lack of proper pricing of externalities, a lack of customer demand, as well as a lack of (passive) investment options.
- **Governmental policy barriers** due to uncertainty surrounding governmental policy, including tax regimes and subsidy arrangements.
- **Organizational and business model related barriers**, including a lack of insight to (institutional) customer demand which stands in the way of the creation of efficient SDG investment markets, and the extent to which SDGI's can be incorporated into investment mandates and policies, and where relevant risk management practices.
- **Definition and data related barriers**, referring to a general lack of transparency and market insights which limit the extent to which efficient SDGI markets can emerge.

In our efforts to ensure an enabling regulatory environment, international examples are indispensable. Our initial review of international best practices for advancing SDG investment show an uptake of innovations across the world. Examples of SDGI enablers include the Bank of England's FAIR framework, the green financial bond rules of the People's Bank of China (PBOC), and UNEP's Sustainable Financial System report.²⁴

RECOMMENDATIONS

Further research is being conducted. The working group will update its findings in the upcoming months as part of its work with the Platform for Sustainable Development.

Initial recommendations include:

- 4.1 REG:** Conduct further research and publish a summary of barriers and incentives, including a clarification of areas where barriers are perceived but do not exist
- 4.2 ALL:** Ensure SDG transparency by stimulating the uptake of the SDGs in corporate reporting efforts [Direct overlap with recommendation 3.2]

CRITICAL LINKS

2.3 / 3.2 / 3.4

²⁴ UNEP, The Financial System We Need: From Momentum to Transformation, October 2016

In Closing & the Road Ahead

The ambitions stated in the **2015 Agreements offer a significant opportunity** for the financial sector, government, and regulator to collectively increase their positive impact – in line with the spirit of SDG #17 and the Addis Action Agenda. Yet, the complexity of breaking through sectoral and inter-departmental silos, and of integrating these new mandates into our investment strategies cannot be underestimated.

This Dutch SDGI Initiative was triggered by an invitation by the government and the DNB in March of this year to jointly find ways to accelerate and scale SDG investing in The Netherlands. In response, the undersigned set out to develop a national high-level SDG investing agenda that would instill **greater convergence, collaboration, and coordination between initiatives**. Over the last few months, the undersigned – in consultation with over close to 70 fellow investors, government representatives, and expert practitioners – set out to develop a high-level SDG Investing agenda in support of this goal.

With the SDGI Agenda we sought to recognize and map existing sustainability agendas and initiatives and unpack areas where we know immediate opportunities for action and collaboration exist. In doing so, we sought to create **a space for honest conversation** where barriers or opportunities for action collaboration can be addressed. We delivered on all dimensions:

- The SDGI Agenda provides an overview of national and international initiatives that can **serve as a basis for further individual and collective efforts** to advance a shared Dutch SDGI agenda.
- The Initiative is **already spurring action**. The Blending Working Group for example is proactively pursuing blended investing opportunities with the Ministries of Foreign Affairs and I&M. Similarly, the Retail Working Group is taking active steps to promote impact investing solutions amongst their clients, generating wider support for the SDGs.
- Most importantly, our cross-sectoral working sessions and consultations have led to **the emergence of an inclusive community of practice** surrounding SDG investing. New connections were forged and bridges strengthened between organizations and departments.

On December 14th, we will review our report with an expanded group of investors, government officials, sector platforms and DNB representatives with only one goal: Collectively determine an **effective and efficient way forward**, that leverages existing anchor initiatives in the field and recognizes the diverse nature and ‘SDGI readiness’ of individual sectors and institutions.

We are grateful for the contributions by the Dutch government as well as the DNB to date – especially those of the government’s Taskforce for Innovative Finance, and of the DNB’s Platform for Sustainable Finance. **The depth and openness of the dialogue** that we were able to achieve together over the last few months has been exceptional and ground-breaking in nature.

As a country, we have the opportunity to **reaffirm our pioneering position** in sustainability and be a leading catalyst for the establishment of a thriving local, regional, and global market for sustainable investment. We are committed to the 2030 Agenda and look forward to collectively **‘building highways to SDG investing’** in the years ahead.

Acknowledgements

We are grateful for the leadership of a core group of colleagues and institutions:

Jan Raes, ABN Amro
 Harald Walkate, Aegon
 Hanna Wintzen-Kernkamp, Delta Lloyd
 Yvonne Bakkum, FMO
 Elsbeth Bloemert, FMO
 Roel Messie, FMO
 Bram Thuysbaert, FMO
 Kim Geesink, C-Change
 Roos de Groot, Ministry of Foreign Affairs
 Johannet Gaemers, Ministry of Foreign Affairs
 Herman Bavinck, Ministry of Infrastructure & Environment
 Brenda Kramer, PGGM
 Gert-Jan Sikking, PGGM
 Marilou Golstein, Triodos
 Wouter Koelewijn, Triodos
 Hadewych Kuiper, Triodos

We wish to acknowledge the valuable contributions of:

Clara Barby, Bridge Ventures	Philip Moss, World Economic Forum
Veerle Berbers, Berbers Consulting	Ingeborg Nieuwendijk, ADSB
Pietro Bertazzi, Global Reporting Initiative	David O'Connor, World Resources Institute
Herman Betten, DSM	Maresa Oosterman, SDG Charter
Davina Bettram, Sustainalytics	Barbara Pilipp, das Studio
Paul Boeding, Ministry of Economic Affairs	Christiaan Rebergen, Ministry of Foreign Affairs
Peter Borgdorff, PFZW	Esther Reilink, Ministry of Foreign Affairs
Eppy Boschma, VNO-NCW / Global Compact	Karl Richter, EngagedX
Katherine Brown, World Economic Forum	Koert Ruiken, Ministry of Infrastructure & Environment
Chris Buijink, Dutch Banking Association	Gita Salden, Ministry of Finance
Tomás Carruthers, Social Stock Exchange	Mark Sarfo, Ministry of Finance
Rosalie de Bruijn, SDG Charter	Mark Schneiders, Royal Tropical Institute
Hans Docter, Ministry of Foreign Affairs	Khalid Sheik, Netherlands Investment Agency
Felix Dodds, Global Research Institute	Loek Sibbing, NL II
Kris Douma, UNPRI	Daan Spaargaren, Eumedion
Frank Elderson, Dutch Central Bank (DNB)	Amy Stillman, GIIN
Teresa Fogelberg, Global Reporting Initiative	Natascha Szilágyi, Netherlands Enterprise Agency
Don Gerritsen, UNPRI	Saskia Tjeerdsma, Ministry of Foreign Affairs
Uli Grabenwater, European Investment Fund	Kitty van der Heijden, World Resources Institute
Frank Heemskerk, World Bank	Sharon van Ede, Dutch Banking Association
Dennis Heijnen, Dutch Association of Insurers	Rein van Erp, Netherlands Enterprise Agency
Marga Hoek, Groene Zaak / SPIL	Pia van Gorp, Ministry of Finance
Catherine Howarth, Share Action	Caroline van Leenders, Netherlands Enterprise Agency
Harry Hummels, University of Maastricht	Jan van Schoonhoven, Ministry of Infrastructure & Environment
Wim Janssen, Ministry of Finance	Alexandra van Selm, Social and Economic Council of the Netherlands
Michael Jongeneel, BAIN	Rens van Tilburg, Sustainable Finance Lab
Christine Kampinga, JP Morgan / CIO Dialogue	Tom van Veen, Dutch Central Bank (DNB)
Wouter Koelewijn, GIIN	Evert-Jan van Vrouwer, ADSB
Thymen Kouwenaar, Ministry of Infrastructure & Environment	Willemijn Verloop, Social Enterprise NL
Emmy Labovitz, OECD	Maarten Vleeschhouwer, Dutch Central Bank (DNB)
Henk Lindner, Federation of the Dutch Pension Funds	Hugo von Meijenfeldt, Ministry of Foreign Affairs
Peter Martens, Netherlands Investment Agency	Karen Wilson, OECD
Veronique Menou, MSCI	

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“To build a thriving Dutch market for sustainable or ‘SDG’ investment, it is important to remove possible roadblocks and identify potential incentives that enable the flow of capital to those investment opportunities that contribute to a sustainable world. The Dutch Central Bank (DNB) stands ready for further dialogue with the sector.”

Frank Elderson, DNB / Chairman of the Dutch Platform for Sustainable Finance

The Dutch SDGI Initiative was supported by:



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The Dutch SDG Charter signatories, from NGOs, knowledge institutes, the private sector, (local) government, philanthropy and the financial sector, are working together to contribute to the SDGs. The SDG Charter Foundation facilitates by enabling joint and coordinated action. The Foundation consists of the following members: Ministry of Foreign Affairs, Global Compact Netherlands, Partos, CSR Netherlands, VNG I, IUCN NL, NOW WOTRO and the Major Alliance. Initiators are: True Price, DSM and Worldconnectors. For more information: www.sdgcharter.nl

