Finance and sustainability crash course - session 4

Wednesday, April 15, 2015

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# Financial innovations for sustainability

Speakers: Per Olsson, Mauricio Portillo Relevant background reading on [A Theory of Transformative Agency in Linked Social-Ecological Systems](http://www.ecologyandsociety.org/vol18/iss3/art27/)

## Innovations in the global financial system - transformation, scaling, agency

[**The global financial system - e-journal USA**](http://iipdigital.usembassy.gov/media/pdf/ejs/0509.pdf), issue of [e-journal USA](http://iipdigital.usembassy.gov/ejusa.html#axzz3XNWqQQvy)

* Institutional investors
* Private investors
* Banking
* Financial accounts
* Bond market
* **Do social innovations relating to financial sustainability initiatives contribute to large-scale transformations or do they reinforce the existing (*flawed*) paradigm?**

## Scaling processes in finance for sustainability

* [***Conservation Finance*** - *Moving beyond donor funding toward an investor-driven approach*](https://www.credit-suisse.com/media/cc/docs/responsibility/conservation-finance-en.pdf) - report by WWF, Credit Suisse, McKinsey & Company.

Investors/funds -> (financial investments) -> Investment structures -> (Conservation investment) -> Activation of cash flow -> (Conservation impact) -> Ecosystem with conservation needs -> (Impact reporting to investors)

* [Develpmental Evaluation: - Michael Quinn Patton](http://www.google.se/books?hl=en&lr=&id=gd_RvUbSWnsC&oi=fnd&pg=PR1&dq=Developmental+Evaluation+-+Michael+Quinn&ots=pR_GxWlPQi&sig=kwOiE12aoN9gCS6RH-T2g5dFcCM&redir_esc=y#v=onepage&q=Developmental%20Evaluation%20-%20Michael%20Quinn&f=false)
* **Build a beter understanding o flarge-scale systemic changes and fundamental redirections in people-planet elationships that can hae an impact at the scales that match the Anthropocene?**

**Transformative trends in business and the economy**

[Global clusters of innovation - Jerome S. Engel](http://www.e-elgar.co.uk/bookentry_main.lasso?id=15588)

## Types of impact investors - by Mauricio

**Types of investments:** Cash, Senior debt, Mezzanine/Quasi equity, Public equity, Alternative instruments: Venture capital, Private/Growth equity, Real estate, Other real assets, absolute return (hedge funds).

**Types of investors:**

* **Finance First investors**
* **Impact First investors**

**Types of impact of investments**

Interesting figure from [Open Capital](http://opencapitaladvisors.com/resources/)

### Case study 1 - Acumen fund investment in Indian power plants

### Case study 2 - Aqua Spark investment in Aquaculture

### Case study 3 - Fish 2.0

## Social inclusive businesses

Social benefits vs. economic benefits

### J.P morgan impact investment report

[Resources relating to the report](http://www.thegiin.org/cgi-bin/iowa/resources/research/151.html)

[â€œImpact Investingâ€: Theory, Meet Practice](http://www.frbsf.org/community-development/files/Pinsky.pdf)

[JP Morgan's - Spotlight on the Market - The Impact Investor Survey](http://www.thegiin.org/binary-data/2014MarketSpotlight.PDF)

### Note for real-world-ecnomics piece

***Impact investments and the sustainability transitions* What is the potential role of impact investors and other types of sustainability oriented investments in driving social transformations?**

# REFERENCES

The following literature was cited