

Impact Measurement and Management Practice in Japan

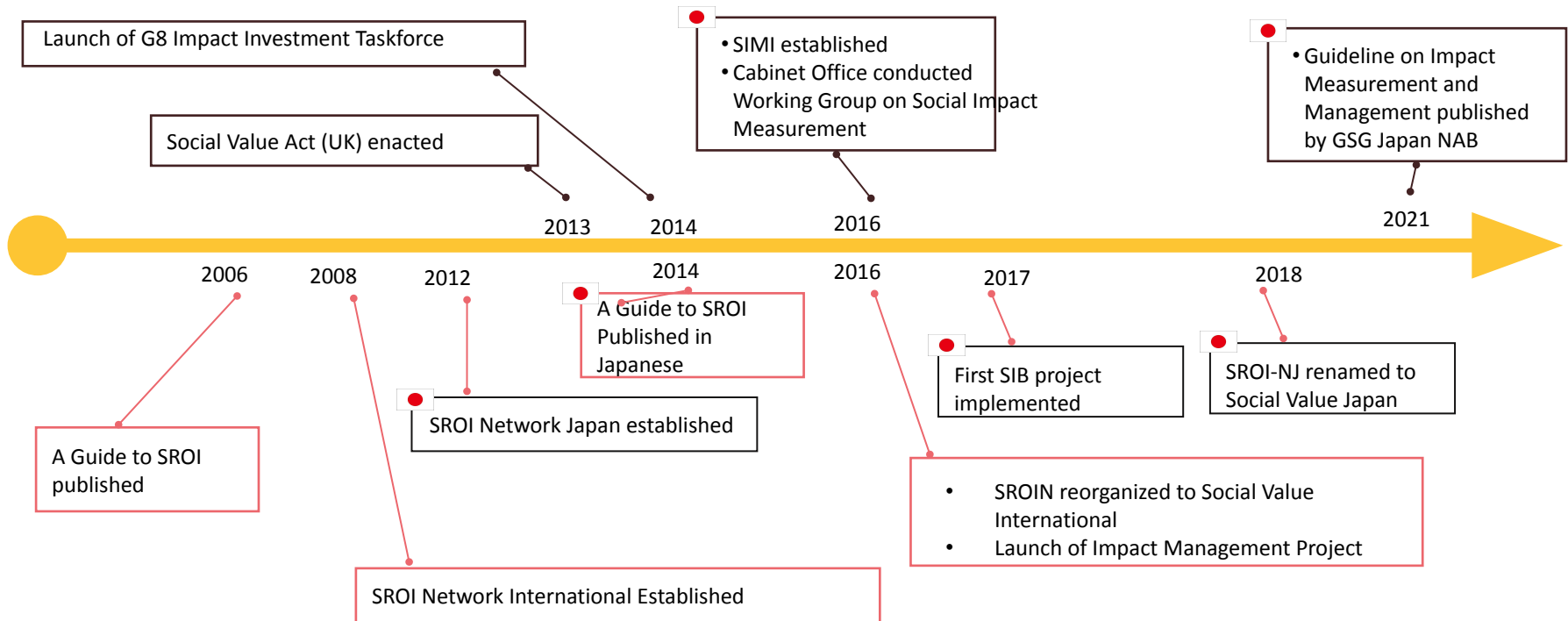
SOCIAL VALUE
JAPAN

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Impact Measurement and Management in Japan

Timelines on IMM development globally and in Japan

- Japan's IMM Practice emerged from 2016 and it was accelerated by growth of impact investment market
- Initial effort was more on non-profit and government and it has more focus on impact investment due to demand at IMM



Impact Measurement and Management in Japan

Efforts to localize IMM guidelines and standards

- We have a number of initiatives to integrate local and global insights to develop a set of guidelines and standards

A Guide to SROI in Japanese
(SROI Network, 2014)



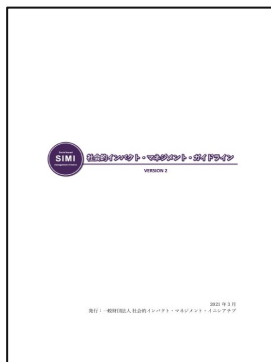
SDG Impact Standard for
Enterprise (UNDP, 2021)



IMM Guideline
(GSG Japan NAB, 2021)



IMM Guideline (SIMI, 2021)



Impact Measurement
Guideline(JANPIA, 2019)



Concept of Impact Finance
(MOE, 2020)



Impact Measurement and Management in Japan

Impact Report Published by Companies and Organizations

- With the published guidelines, companies and organizations publish its impact report, however, the standard to make the report comparable is still necessary.

**Healthcare New Frontier Fund
(2018-2020)**



**Nomura Asset Management
Impact Report
(2020)**



**Crowd Credit
Social Impact Investment Report
(2020)**



**ADDress Impact Report
(2020-2021)**



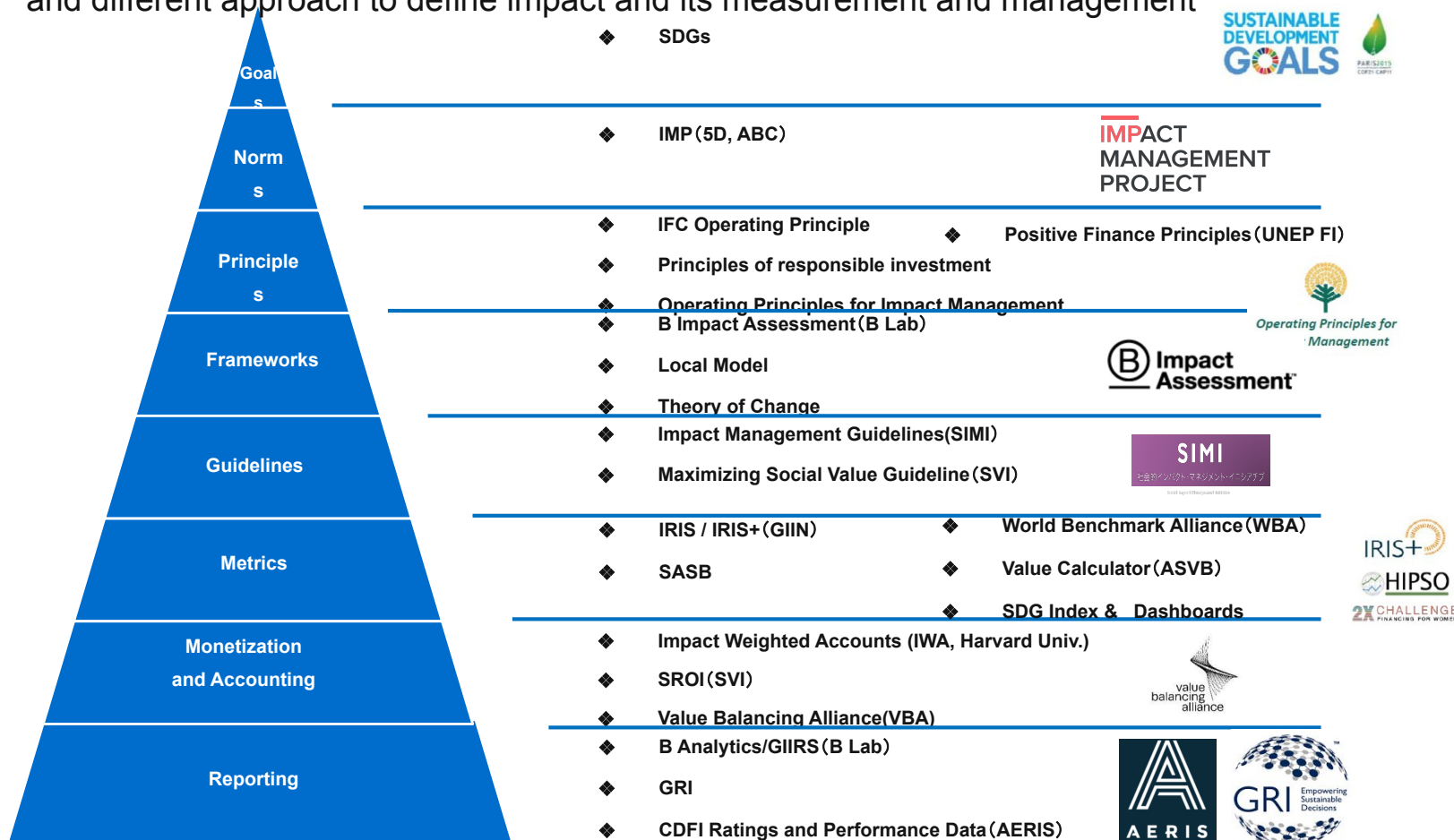
**Sulala Net Impact Management
Report (2020)**



Impact Measurement and Management in Japan

Different levels of IMM definition and guidelines

- In the initial phase of impact measurement introduction, there was confusion of different levels and different approach to define impact and its measurement and management

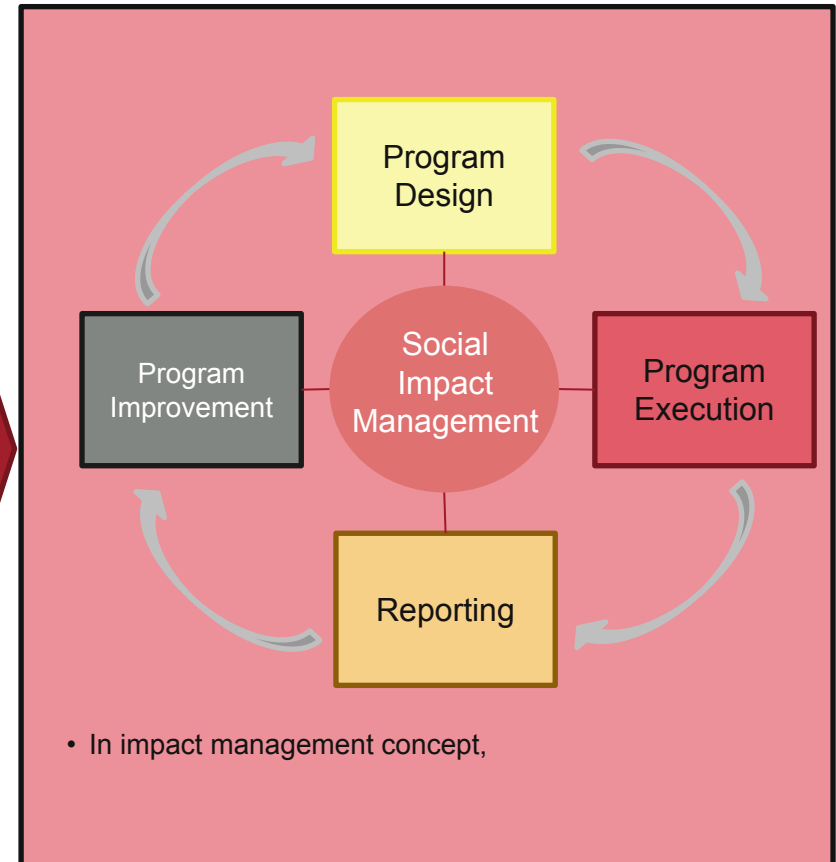
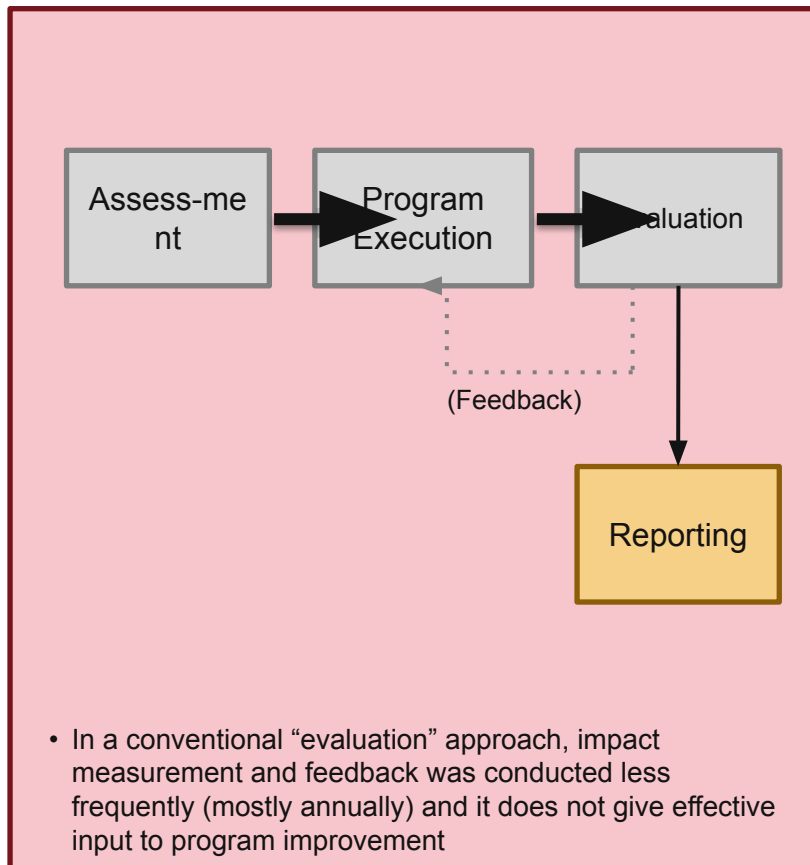


出典:SIMI 資料を基にSVJ作成

Impact Measurement and Management in Japan

From Impact Measurement to Impact Management

- With impact management concept and framework, the importance of “impact governance” is recognized



Impact Measurement and Management in Japan

Lessons learned from IMM development experience in Japan

- **IMM was initiated by foundations and social sector organizations and the concept and frameworks were effectively affected financial market** with the growth of impact investment market. We need keep in mind of role of different stakeholders to play
- When we see someone hit the “**trigger point**” which **impact the whole market ecosystem** (such GPIF’s signatory on PRI, adaption of IMM concept by dormant account fund), the **rapid introduction** of its practice can be observed
- **International guidelines, government effort and regulatory bodies plays important role** to ensure the quality of impact assessment – social sector could provide them a important input with accumulated knowledge on social impact
- **Liaison with global movement is a key**, particularly in a market where the alignment with global standards matters, such as Japan