

# **Impact investing & social economy: a promise for the future... not fulfilled yet**

**Annual Conference: “Social economy stimulating the transformative potential of communities”  
Webinar “Employment and Growth – Green Economy for improving employment”  
24<sup>th</sup> march 2021**





# Potential

- Capital availability (asset owners & managers to comply with EU taxonomy for sustainable activities) - Social economy's need to capitalise to meet new challenges
- Limited number of investment opportunities - Social economy competence in delivery impact as a business
- Need to overcome socialwashing risk - Social economy opportunity as good and trustworthy business (see bank credit default)
- Policy makers fostering transition towards sustainability – social economy as suitable partner to get people & all stakeholders on board



# Barriers

- Misunderstanding of risk capital vs bank credit by social economy
- Social economy governance structure unsuitable for investors ie democratic model
- Small scale of investment opportunities offered by social economy ie fragmentation
- Mismatched of expectation on returns ie business drivers & growth targets
- Rise of B-corp & business with purpose as an alternative for investors
- In the policy arena, confinement to the social economy niche

# Social Outcome contract (2021)



Feasibility study to scale up 'Programme 2121':  
project for work inclusion of prisoners in  
construction service designed & piloted at MIND  
– Milan Innovation District & Ministry of Justice  
as public private partnership

EIB Technical Assistance to Ministry through  
'Advisory Platform for Social Outcomes  
Contracting'

PlusValue & Ernst&Young contracted by EIB

## Goals:

- Test first SOC in Italy and develop financing and delivery model bringing together public and private (including social economy).
- Develop a solution for 5,000 prisoners in Italy and transform the prison system.



# Recommendations

- Improve the integrity of the standards that certify the orientation of resources (upgrade of ESG criteria)
- Invest to develop internal business & digital capabilities recruiting the new talents
- Innovation in governance and business models ie keep the values, change the forms
- Consolidation of services & programmes to operate at large scale
- Set a joint investment & industrial agenda to partner with main institutional and corporate players on european/global political platforms eg COP26 & G20
- Rewrite the Recovery plan in the part relating to co-financing by private entities

# Contacts

Filippo Addarii: [filippo.addarii@plusvalue.org](mailto:filippo.addarii@plusvalue.org)



[www.plusvalue.org](http://www.plusvalue.org)



9 Perseverance Works,  
Kingsland Rd  
E2 8DD London (UK)



[@plusvaluetweets](https://twitter.com/plusvaluetweets)



PlusValue (PV)

