

Triple I Recommendations

Unlocking Investment for Global Health Impact

- What Governments & Global Institutions Can
Do to Accelerate Impact Investment for
Global Health



March 2025

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Executive Summary

Health underpins societal prosperity, fostering quality of life, economic growth, and social stability, whereas poor health and inequity undermine these foundations, requiring urgent attention.² With persisting health disparities and financial burdens on governments, particularly in low- and middle-income countries (LMICs), G7 leaders endorsed the “Impact Investment Initiative for Global Health (Triple I for GH)”³ at the 2023 Hiroshima Summit, and emphasized the important role the private sector can play through impact investing, aiming to generate positive and measurable social and environmental impacts alongside financial returns. Launched at the subsequent UN General Assembly, the initiative intends to further harness private capital at scale and contribute to global health. By strengthening multi-sectoral partnerships through innovative approaches addressing unmet urgent needs, it seeks to advance universal health coverage (UHC), strengthening prevention, preparedness and response (PPR) and other cross-sectoral areas that are in close relation to health including gender, climate, water, sanitation and hygiene (WASH), and nutrition.

LMICs are experiencing significant transformation in their healthcare sectors, driven by demographic changes, economic growth, and increasing demand for healthcare services. These dynamics present substantial opportunities for private investment. The growing middle class, advancements in technologies and technology-driven enterprises, and the increasing availability of global resources and capital further enhance the market prospects.

While the healthcare market in LMICs shows promise, ensuring access to quality healthcare for all, including the vulnerable and marginalized, remains an urgent issue. These groups experience significant health inequities due to factors such as socio-political structures, poverty, geographic isolation, and systemic discrimination. Additionally, climate change exacerbates these challenges, disproportionately impacting already vulnerable populations. In fact, healthcare is often sustained by their unpaid labors, particularly of women in primary care facilities, community and home. To advance health for all, it is crucial to increase and diversify capital flow into the global health value chain with diverse stakeholder participation, making it both inclusive and sustainable.

Achieving both social and environmental outcomes alongside financial returns, impact investment can be an instrumental tool that not only meets immediate health needs but also fosters long-term economic stability and growth, creating a virtuous cycle of improved health outcomes. Some

¹ The recommendations were compiled by the Triple I for GH based on the discussions and comments from Working Group and relevant stakeholders, and it does not necessarily reflect the views of G7 members.

² McKinsey & Company, "Prioritizing health: A prescription for prosperity," accessed December, 2024, <https://www.mckinsey.com/industries/healthcare/our-insights/prioritizing-health-a-prescription-for-prosperity#section-header-1>.

³ Triple I's three core pillars are 1) Expand awareness of impact investing, 2) Support development of models for impact investing and 3) Policy & enabling environments, advance incentives for impact investment.

investors and enterprises have proven that it is possible to address critical healthcare challenges while generating financial returns. More investors and enterprises can follow this trend through impact investment.

In promoting impact investment, involving local stakeholders is important. Encouraging the participation of local governments, investors, entrepreneurs, and community members is crucial for harnessing local knowledge and creating equitable, culturally sensitive, and sustainable health solutions and systems for the most vulnerable groups. When executed thoughtfully and inclusively, impact investments can mobilize new forms of private sector capital into the global health value chain, directing and scaling innovative solutions into underserved areas sustainably.

To tap into the full promise of impact investment in global health, the public sector can play a significant role by creating environments that incentivize and support diverse stakeholders. Policymakers worldwide can promote innovative mechanisms to help de-risk investments, thereby increasing impact-investment capital while also building the capacity of local stakeholders. Establishing an impact-investment platform can foster a secure and supportive investment climate, boosting investor confidence and facilitating efficient access to investment opportunities. Improving procurement practices with an impact focus can enhance scalability and effectiveness. Furthermore, clear and consistent metrics for measuring impact, supported by reliable and quality data, are crucial for understanding, monitoring, and evaluating healthcare interventions.

To build on existing efforts, the Triple I Secretariat established a Working Group on creating enabling policy environments for impact investment in global health. Based on Working Group discussions, the surveys conducted by the Secretariat, and inputs from partners and relevant stakeholders, the Secretariat has compiled recommendations for governments, development finance institutions (DFIs), multilateral development banks (MDBs), international organizations, and foundations to enhance these environments.

Triple I for GH Recommendations for Policymakers and Global Institutions (Summary)

The Triple I for GH Secretariat encourages policymakers and institutional leaders to build on existing efforts and take innovative approaches to unlock further investment for health, particularly in underserved communities in LMICs.

Accelerating financial flow and new impact-investing capital

1. Increase impact-investing capital available for impact businesses

Public and philanthropic funding can be leveraged to crowd in more private capital for impact businesses by using blended finance models and enhancing the role of MDBs and DFIs.

2. Expand mechanisms to better manage foreign exchange risk across countries/regions

Foreign exchange risk management mechanisms that tap into local capital pools can be expanded, including considering a regional vehicle that addresses foreign exchange risk.

3. Support building an impact-investment platform to expand marketplace and confidence for health investors

Governments can support building a domestic or regional platform with secondary market functions to connect investors and healthcare companies with assurance of investor reliability.

Facilitating knowledge and data exchange

4. Ensure access to expertise and network for impact managers and businesses

Hands-on capacity building support to local managers and businesses can facilitate innovation.

5. Shape a health data platform ensuring access to quality health data for investors

A platform tailored for investors, supported by local governments with reliable health markets data that reflect local context, can help investors make investment decisions and measure better.

Improving procurement environment

6. Utilize outcomes-based models focused on scalability and innovation

The use of pay-for-performance tools, development impact bonds, and outcomes funds can be expanded further in health.

7. Utilize cross-government demand-pooling mechanisms for economies of scale

Aggregating fragmented demand as well as longer-term and comprehensive health planning for products and services can foster procurement by national governments and international organizations.

Building an impact-conducive environment

8. Promote the use of consistent and transparent measurement strategies to ensure inclusive health impacts

This can include promoting adoption and integration of more transparent and harmonized impact measurement and management (IMM) practices.

9. Shape an enabling regulatory environment to support impact investors and social impact businesses

This may involve advancing frameworks including regulations and guidelines to stimulate and de-risk impact investing in health, with different approaches for investors, intermediaries and social enterprises adjusted to their specific needs, including tax incentives to de-risk investments in global health.

Introduction

Health underpins societal prosperity, fostering quality of life, economic growth, and social stability, whereas poor health and inequity undermine these foundations, requiring urgent attention.⁴ With persisting health disparities, constrained government budgets, and increasingly complex health challenges, promoting the role of private funding in addressing unmet health needs is becoming increasingly critical, particularly in low- and middle-income countries (LMICs). Prior to the COVID-19 pandemic, the World Health Organization (WHO) estimated that low- and middle-income countries (LMICs) needed to increase their health spending by \$371 billion annually to reach the health-related SDGs by 2030, including the achievement of universal health coverage. Post-COVID, an extra \$31.1 billion annually was projected, with one-third expected to come from international financing.⁵

While those countries face the financing gaps, the healthcare sector in LMICs is undergoing significant transformation driven by demographic shifts, robust economic growth, and increasing healthcare demand, creating substantial opportunities for private investment. The growing middle class, advancements in technologies and technology-driven enterprises, and the increasing availability of global resources and capital further enhance the market prospects. For example, in Africa, the medical technology market is projected to grow at a compound annual growth rate (CAGR) of 6.14% from 2025 to 2029, reaching a market volume of US\$14.91 billion.⁶ Similarly, in South Asia, the digital health market is anticipated to grow at a CAGR of 11.05% during the same period, with market volume expected to reach US\$11.74 billion by 2029.⁷

While the healthcare market in LMICs shows promise, ensuring access to quality healthcare for all, including the vulnerable and marginalized, remains an urgent issue. Millions endure significant health inequities due to disproportionate social determinants of health, including inequitable socio-political structures, poverty, geographic isolation, and systemic discrimination based on gender, sexual orientation, race/ethnicity, among other factors.⁸ The escalating threat of climate change disproportionately heightens health risks for vulnerable populations, exacerbating existing health disparities with immediate and severe effects. In fact, the marginalized often sustain healthcare systems through unpaid contributions; women's non-monetary support in facilities and at home, for example, equates to 2.35% of global GDP.⁹ To advance health for all, including of vulnerable groups in LMICs, it is crucial to increase and diversify capital flow into the global health value chain with

⁴ McKinsey & Company, "Prioritizing health: A prescription for prosperity," accessed December, 2024, <https://www.mckinsey.com/industries/healthcare/our-insights/prioritizing-health-a-prescription-for-prosperity#section-header-1>.

⁵ GSG Impact, "Promoting impact investment in global health in low-and middle-income countries: Challenges, recommendations, and examples of blended finance tools and facilities," September 2024

⁶ Statista Market Insights

⁷ Statista Market Insights

⁸ United Nations News, "Underinvestment threatens universal health coverage goals," accessed on December 19, 2024, <https://news.un.org/en/story/2024/12/1158111>

⁹ The Lancet, 2015; 386: 1165–1210, "Women and Health: the key for sustainable development," [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(15\)60497-4/abstract](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(15)60497-4/abstract)

diverse stakeholder participation, making it both inclusive and sustainable.

Achieving both social and environmental outcomes alongside financial returns, impact investment can be an instrumental tool that not only meets immediate health needs but also fosters long-term economic stability and growth, creating a virtuous cycle of improved health outcomes. Some investors and enterprises have proven that it is possible to address critical healthcare challenges while generating financial returns. More investors and enterprises can follow this trend through impact investment.

In promoting impact investment, involving local stakeholders is important. Encouraging the participation of local governments, investors, entrepreneurs, and community members is crucial for harnessing local knowledge and creating equitable, culturally sensitive, and sustainable health solutions and systems for the most vulnerable groups. When executed thoughtfully and inclusively, impact investments can mobilize new forms of private sector capital into the global health value chain, directing and scaling innovative solutions into underserved areas sustainably.

To tap into the full promise of impact investment in global health, the public sector can play a significant role by creating environments that incentivize and support diverse stakeholders. Policymakers worldwide can promote innovative mechanisms to help de-risk investments, thereby increasing impact-investment capital while also building the capacity of local stakeholders. Establishing an impact-investment platform can foster a secure and supportive investment climate, boosting investor confidence and facilitating efficient access to investment opportunities. Improving procurement practices with an impact focus can enhance scalability and effectiveness. Furthermore, clear and consistent metrics for measuring impact, supported by reliable and quality data, are crucial for understanding, monitoring, and evaluating healthcare interventions.

By creating supportive conditions, the public sector can enable the effective use of both public and private capital, significantly improving the health of those most in need and ensuring sustainable success. For instance, the SAMRIDH¹⁰ initiative, supported by USAID, private philanthropies, and financial institutions, and partnering with local healthcare enterprises like Karma Primary Healthcare,¹¹ exemplifies the power of this approach. Since its inception in 2020, SAMRIDH has secured a commitment of US\$300 million from philanthropy and financial institutions to support market-based health solutions for vulnerable communities in India, offering innovative financial instruments such as social success notes, recoverable grants, partial risk guarantees, and interest subvention. Karma, an Indian healthcare enterprise, utilizes this funding model to scale e-Doctor Clinics that provide affordable, digital specialty care in rural areas, broadening the scope of primary healthcare services and reducing out-of-pocket health expenses. By integrating local insights and

¹⁰ [SAMRIDH Healthcare Blended Finance Facility](#) is supported by the USAID in technical collaboration with Atal Innovation Mission & Women Entrepreneurship Platform, NITI Aayog, Principal Scientific Advisor to the Government of India, the National Health Authority, Indian Institute of Technology Delhi, Rockefeller Foundation, Axis Bank, IndusInd Bank, Caspian Debt and NATHEALTH, and is managed by IPE Global.

¹¹ Karma Primary Healthcare, "Bridging the Primary Healthcare Gap, Digitally," <https://karmaprimryhealthcare.in/>

fostering community engagement, these initiatives demonstrate sustainable ways to enhance healthcare access and equity, highlighting the critical role of strategic impact investments in transforming health outcomes for marginalized populations.

Triple I for GH Recommendations for Policymakers and Global Institutions

Building on existing efforts to align public and private efforts and mobilize a new form of capital into advancing equitable health outcomes, the Triple I Secretariat established a Working Group on creating enabling policy environments for impact investment in global health. Based on Working Group discussions, the surveys conducted by the Secretariat, and inputs from partners and relevant stakeholders, the Secretariat has compiled recommendations for governments, development finance institutions (DFIs), multilateral development banks (MDBs), international organizations, and foundations to enhance these environments. The recommendations aim to catalyze impact investments and systematically tackle the barriers that currently hinder their full potential in support for all the ecosystem players for impact investment in global health, including investors, venture capitals (VCs)/fund of funds, healthcare firms and startups, and incubators. The Triple I for GH Secretariat encourages policymakers and institutional leaders to enhance current initiatives and take innovative approaches to help unlock investment in health for all.

Accelerating financial flow and new impact-investing capital

Recommendation 1 - Increase impact-investing capital¹² available for impact businesses in healthcare in LMICs through building partnerships among public, private and philanthropic actors and enhancing the role of MDBs and DFIs

Recommended actions:

- 1.1 **Strengthen blended finance models:** Impact-investing capital is essential for addressing global health issues, in addition to public funding. One of the ways in which governments and related organizations can facilitate the mobilization of impact-investing capital is through blended finance models, where public/philanthropic capital is leveraged to crowd in private capital. Strategic partnerships with philanthropies and family offices can be leveraged in increasing such capital. For example, **the pan-African Transform Health Fund^{13,14}** is an innovative blended

¹² Triple I Secretariat understands impact-investing capital to include both “return-first” capital and “impact-first” capital, where “return-first” capital target risk-adjusted market-rate returns, and “impact-first” capital target below-market-rate returns and/or more flexible/patient capital returns. “Impact-first” capital accept disproportionate risk and/or concessionary returns/capital preservation and can include, but not limited to, patient capital (with longer repayment timelines), catalytic capital (with the objective to access larger and more diverse pools of capital from commercial investors) and concessional finance (such as low-rate debts).

¹³ Health Finance Coalition, “Transform Health Fund Surpasses \$100 Million Target at Final Close to Improve Access to Quality Healthcare in Africa,” accessed on December 6, 2024, <https://healthfinancecoalition.org/transform-health-fund-surpasses-100-million-target-final-close-to-improve-access-to-quality-healthcare-in-africa/>.

¹⁴ Health Finance Coalition, “Investing in Our Future: A Conversation with Noorin Mawani, Co-Lead of the Transform Health Fund,” accessed December 18, 2024, <https://healthfinancecoalition.org/investing-in-our-future-a-conversation-with-noorin-mawani-co-lead-of-the-transform-health-fund/>.

finance fund supported by various government agencies with a two-layer structure — catalytic and commercial. This structure attracts investors with different risk appetites, helping the fund exceed its US\$111 million target through commercial, public and private donor investments. Another example is the recently launched **Catalytic Health Investment Platform (CHIP)**¹⁵ by Triple I for GH's partners, KfW with public funding by the German government and Global Health Investment Corporation (GHIC). CHIP, which is open to public and private investors, currently provides funding through three pillars — catalytic funding for health impact-investment funds, direct investments in health companies and grants.

- 1.2 **Enhance the role of MDBs and DFIs with innovative financing mechanisms through collaboration with public and philanthropic funds:** While MDBs and DFIs are well-situated to be major providers of impact-first capital, such as catalytic/patient capital and low-rate debt, for critical investments in health and development settings, they are often constrained by the commercial parameters, ticket sizes, and other requirements that limit their impact. Introduction of new financing products and mechanisms, with support from shareholders or in collaboration with philanthropic funding, could allow more flexibility to take greater risks and reach more people at scale. For example, European Investment Bank (EIB) has direct guarantees from the European Commission through the **Accelerating Human Development (HDX)**¹⁶ program, which allows EIB to take on riskier investments, which are then matched by the Bill & Melinda Gates Foundations. In Japan, the government is considering the **introduction of a new mechanism to promote coordination between Japan's Official Development Assistance (ODA) and sustainable finance**, following the revision of the Development Cooperation Charter in 2023. A MDB explained during one of the Triple I roundtables that a new protocol, which requires project officers to explore involving the private sector in all their sovereign operations, has helped open private sector possibilities, including in health projects. In addition, in interviews conducted by the Secretariat, some interviewees suggested establishing a public-private impact-investment fund to pool grant funding at the global level that DFIs, MDBs and impact investors can tap into for different de-risking tools such as first-loss tranches, sub-debt, recoverable grants, etc., to enable seamless multi-phase progression from R&D to delivery. For governments to have a better assurance about the appropriate use of public funds, subsidies can be tied to expected performance on health impact. For G20 countries that do not have DFIs or their equivalent, it may be useful to equip related organizations with complementary tools such as grant funding to support the private sector, or to work closely with the regional MDBs that have private sector lending arms, for example, the

¹⁵ Global Health Investment Corporation, "GHIC and KfW Launch the Catalytic Health Investment Platform," accessed October 15, 2024, <https://ghicfunds.org/2024/10/03/ghic-and-kfw-launch-the-catalytic-health-investment-platform>

¹⁶ European Commission, "Accelerating Human Development - European Fund for Sustainable Development Plus," accessed December 6, 2024, https://international-partnerships.ec.europa.eu/funding-and-technical-assistance/funding-instruments/european-fund-sustainable-development-plus/accelerating-human-development_en

Asian Development Bank's and African Development Bank's non-sovereign operations.

- 1.3 **Unlock local impact-investing capital:** Investing in appropriate policies for local capital markets is crucial. Local investors have a vital role to play in increasing social impact investing for health impact. They not only mitigate foreign exchange risk and provide hands-on mentorship to social businesses fostering investability, but also attract international investors by sending a signal about market viability. More importantly, investing in local capital markets ensures systemic change within LMICs and not just around them. As such, LMIC governments can work on removing financial and compliance barriers to unlock local capital. An illustrative example is **Ghana's Securities and Exchange Commission (SEC)** which worked to remove financial and compliance barriers to angel investing, crowdfunding, and other local capital market vehicle.



CASE STUDY - Transform Health Fund: An innovative blended-finance vehicle to scale healthcare innovations in Africa



Transform Health Fund is an innovative blended finance fund, which means that it has two layers of investment: a layer for catalytic shareholders who are able and willing to take on more risk and wait longer for returns, and a commercial layer, for investors that require risk-adjusted rates of return. The fund aims to bolster healthcare systems in Africa by scaling proven and innovative healthcare models across the continent.

KEY FACETS

- The fund is a joint venture between the Health Finance Coalition, a group of leading global health funders, and AfricInvest, an African private equity firm and leading impact investor.
- The fund provides debt and mezzanine capital to scale proven healthcare innovations across Africa.
- The fund is structured with a blended capital stack, with a layer of catalytic limited partners and a commercial layer. Early investment by catalytic investors played an important role in mobilizing private investment capital.
- Notable fund investors include Royal Philips, the International Finance Corporation (IFC), Swedfund, the U.S. International Development Finance Corporation (DFC), Proparco, Merck & Co., Inc., FSD Africa Investments, Grand Challenges Canada, ImpactAssets Inc., the Global Health Investment Corporation (GHIC), Ceniarth, UBS Optimus Foundation, Skoll Foundation, Chemonics International, Anesvad Foundation, Netri Foundation, U.S. Agency for International Development (USAID).

OUTCOME & IMPACT

- Successfully closed the fund in October 2024 at US\$111 million, surpassing its initial target, through commercial, public, and private donor investments.
- As of February 2025, it has already committed US\$20 million in financing to Africa Healthcare Network, Lapaire Glasses, and Insta Products. It has a strong pipeline of opportunities going forward.

SUCCESS FACTORS & LESSONS LEARNED

- Finding investment opportunities that align impact with returns is essential to the fund's success. To cultivate a strong pipeline, the fund is supported by a "deal construction" platform with a dedicated team of health and financing experts under HFC that carefully evaluates opportunities based on a detailed impact framework and invest-ability potential.
- The health ecosystem often faces tension between impact and financial returns. The fund seeks to bridge this gap by leveraging a blended finance structure to generate strong investor returns while driving transformative impact for underserved communities.

Source:

- Communication with the Health Finance Coalition.
- Health Finance Coalition, "Transform Health Fund Surpasses \$100 Million Target Final Close to Improve Access to Quality Healthcare in Africa," accessed February 2023, <https://healthfinancecoalition.org/transform-health-fund-surpasses-100-million-target-final-close-to-improve-access-to-quality-healthcare-in-africa/>
- Grand Challenges Canada, "Transform Health Fund Q&A with Leeat Gellis" accessed February 2023, <https://www.grandchallenges.ca/2024/transform-health-fund-qa-with-leeat-gellis/>

Recommendation 2 - Expand mechanisms at regional and national levels to better manage foreign exchange risk for investors

Recommended actions:

2.1 **Enabling access to local currency:** Raising capital locally can help mitigate foreign exchange risks often associated with investing foreign-denominated currency into LMIC markets. This can be through hedging platforms complemented by blended finance approaches that specifically address forex risk. One example is GSG Impact's **Ci-Gaba Fund of Funds**¹⁷ in Ghana, which unlocks a pool of capital from the national pension fund to allow internal funds to deploy capital to micro-, small-, and medium-sized enterprises. **Brazil's hedging platform** created for green investments by Ministry of Finance and the Inter-American Development Bank (IDB)¹⁸ is another example of how governments and MDBs can work on reducing foreign exchange risk. Furthermore, through external consultation, an expert proposed the establishment of a global hedging facility that allows for high potential, impact-first investments to be converted from hard currencies into local currency in LMICs in order to shift the currency risk from intermediaries and investees to the global facility. This would mean creating a publicly funded balance sheet large enough to hold a broad basket across multiple countries and/or regions for long periods while offering affordably priced hedges for developmental purposes. **MTX Currency Risk Solutions**¹⁹ and **The Currency Exchange Fund (TCX)**²⁰ serve as good examples to replicate and build on.

¹⁷ Impact Investing Ghana, "Ci Gaba (Progress) Fund of Funds," accessed December 11, 2024, <https://impactinvestinggh.org/programs/ci-gaba-progress-fund-of-funds/>

¹⁸ IDB, "Brazil's Ministry of Finance, IDB Plan to Create Hedging Platform for Brazil's Green Transformation Plan Investments," accessed December 27, 2024, <https://www.iadb.org/en/news/brazils-ministry-finance-idb-plan-create-hedging-platform-brazils-green-transformation-plan>

¹⁹ The [MTX Currency Risk Solutions](#) offers currency hedging products through partnerships involving DFIs, development institutions, foundations and private insurance.

²⁰ The [TCX](#) has multiple DFIs, Microfinance Investment Vehicles (MIVs), and donors including German, British and French governments as investors. It provides swaps and forward contracts as solutions to manage currency risk in LMICs market.



CASE STUDY - The Currency Exchange Fund: Providing financial instruments to hedge foreign exchange risks in LMICs

Effective mechanisms to mitigate FX risks are crucial for financial stability and reducing debt vulnerabilities of LMICs. The Currency Exchange Fund (TCX) offers sector-agnostic, long-term hedging solutions for FX risks in all OECD DAC countries where alternative hedge providers are unavailable, aiming to develop local capital markets and protect international lenders and their local borrowers from exchange rate volatility.

KEY FACETS

- TCX offers non-deliverable cross-currency swaps and FX forwards, converting hard currency loans into local currency-denominated ones, with no tenor restrictions. Some transactions are facilitated through intermediaries/brokers (e.g. MFX Solutions).
- The risk model of TCX is based on the portfolio diversification effect of spreading and absorbing currency risks across all regions. TCX transfers a significant portion of currency exposure to private investors, thus mobilizing private sector involvement in addition to mitigating forex risk.
- It is supported by a consortium of governments, DFIs, MDBs, and private impact fund managers, including KfW, FMO, IFC, EBRD, EIB, the European Commission, and the governments of Germany, France, the Netherlands, Switzerland, and the UK.

OUTCOME & IMPACT

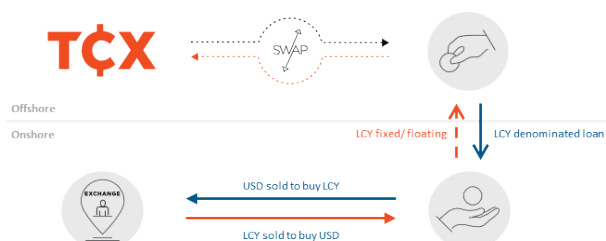
- Since the launch in 2007, TCX hedged over US\$15 billion in hedging transactions, which reflects the amount of local currency financing provided by the impact lenders, and the current derivatives portfolio is around US\$5 billion.
- It mobilized private investor interest and enhanced transparency and efficiency in development finance.
- It continued with the development of local capital markets in emerging and frontier economies.

SUCCESS FACTORS & LESSONS LEARNED

- **Strong Liquidity Management:** TCX maintains a robust liquidity profile with large buffers and prudent policies, which are essential for managing its volatile business model.
- **Capacity Building:** Providing technical assistance to improve Debt Management Offices' capabilities has contributed to enhanced awareness and support to borrowing in local currency.
- **Advocacy:** Today, more than 80% of international lending to LICs/LMICs continues to be denominated in hard currencies, mostly USD, which burdens borrowers and their economies. TCX will continue to advocate for local currency financing and de-risking developing economies, including through their policy documents.

Source:

- Communication with TCX.
- Horrocks, P., Marshall, C., Thomas, C., Venon, T., Portmann, D., & Okuwobi, W., (2025) "Unlocking Local Currency Financing in Emerging Markets and Developing Economies: What role can donors, development finance institutions and multilateral development banks play?," *OECD Development Co-operation Working Paper 117*, Feb. 2025, https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/02/unlocking-local-currency-financing-in-emerging-markets-and-developing-economies_af15df6a/bc84fde7-en.pdf
- TCX, (2024) "TCX Overview: Local currency financing and hedging"
- TCX Fund, accessed December 2024, <https://www.tcxfund.com/>
- TCX Investment Management Company, "IMPACT REPORT 2023," <https://www.tcxfund.com/wp-content/uploads/2024/05/TCX-Impact-Report-2023.pdf>



Recommendation 3 – Support building an impact-investment platform where investors have increased confidence to invest in global health and can access the marketplace for investments more efficiently and meaningfully

Recommended actions:

- 3.1 Secondary market/Patient capital platform:** Consider supporting a national or regional impact-investment platform where i) investors and healthcare companies are connected (primary market), and ii) investors are connected among themselves to sell and buy debt and equity of impact businesses (secondary market), while protecting proprietary information in alignment with national security laws.²¹ One example is to establish social stock exchanges or impact stock exchanges²² that are regulated by a financial authority and allow listed social enterprises to raise funds from investors, as well as investors to trade investments among themselves. Listed organizations are assured by the exchange, and utilizing the platform decreases costs for both investors and investees. For example, **India's Social Stock Exchange**,²³ a separate segment of the National Stock Exchange of India and the Bombay Stock Exchange, is an electronic fundraising platform for listing social enterprises and voluntary organizations dedicated to the realization of social welfare objectives. It facilitates seamless connections between investors and investees sharing similar missions and minimizes cost for both the issuer and the investor/donor by charging minimal fees for registration and listing. The performance of the listed enterprises is monitored.
- 3.2 Support development of financial market products and practices to stimulate health financing in emerging markets:** Other than establishing an impact stock exchange, several experts suggested that governments and international institutions could support the development of market products and practices, for example, through a combination of the following. First is to provide assurance and a roster system for investor reliability. For example, if the impact business is not providing the returns necessary for the current investor and the current investor wishes to sell the stock or equity to another potential investor who may have different risk appetite or vision/strategy, some level of assurance given by a public entity with the listing system on the seller and buyer would facilitate sealing of the deal between the two investors. Second is to enhance transparency in valuation and adherence to guidelines. Guidelines provided by the governments and international institutions on how to incorporate impact perspectives alongside financial aspects in valuations will help impact investors meet certain standards. Third is to provide financial incentives and matching support. For those investors that have registered to the roster system or adhered to the guidelines, government agencies could consider providing

²¹ Please note that the establishment of markets is ultimately a decision made by individual stock exchanges. Since governments cannot independently create such markets, the responsibility regarding this recommended action extends beyond just national governments.

²² Impact stock exchange is a platform that connects investors and impact businesses, which is regulated by a financial authority and allow listed social enterprises to raise funds from investors.

²³ National Stock Exchange of India, "Sustainable Stock Exchange Initiative," accessed December 2024, <https://www.nseindia.com/sse>. Bombay Stock Exchange, "BSE Social Stock Exchange," accessed December 2024, <https://www.bsesocialstockexchange.com/>

tax incentives or grants under certain conditions. Additionally, government agencies could also consider matching these investors with impact businesses. Furthermore, governments and related organizations can promote better understanding between investors, impact businesses and related organizations in the ecosystem. For example, Japan's Financial Services Agency, with public-private collaboration, launched **Japan's Impact Consortium**²⁴ in November 2023 as a cross-disciplinary communication platform where impact-driven stakeholders could join in and share their expertise and experiences. Additionally, consultation with an expert highlighted the importance of LMIC governments providing such support locally, in order to accelerate the investments in their own national capacities and infrastructure to support local innovators and healthcare providers.

²⁴ Impact Consortium, accessed December 19, 2024, <https://impact-consortium.fsa.go.jp/en/>



The Social Stock Exchange (SSE) is an electronic fund-raising and a regulated platform for Social Enterprises (both not for-profit and for-profit) which brings together social organizations and impact investors/donors.

The platform facilitates funding and growth of social enterprises and promote performance-oriented philanthropy, synergy in social aims, simple & transparent disclosures, time & cost effectiveness on due diligence and impact investment, and timely disclosures.

KEY FACETS

- **History:** Announced by Finance Minister Smt. Nirmala Sitharaman in the Jul. 2019 budget speech, the SSE was developed through the process such as forming working and technical groups and amending regulations and the establishing the SSE framework. SSE segment was launched within the Bombay Stock Exchange (BSE) in Dec. 2022 and the National Stock Exchange (NSE) in Feb. 2023.
- **Eligibility:** Social Enterprises (SEs) to have at least 67% of average revenue/expenditure/ target population qualifying under 17 Eligible areas based on Schedule VII of the Companies Act 2013, SDGs and priority areas identified by Niti Aayog, mandatory age of Non-Profit Organisations (NPOs) as 3 years and shall target unserved or less privileged population segments or regions recording lower performance in the development priorities of central or state government.
- **Registration:** NPOs must register on the SSE to raise funds, while SEs can list securities directly.
- **Instruments:** Issuance of Zero Coupon Zero Principal Instruments (ZCZPs) through private placement or public issuance. The minimum subscription required to be achieved should be 75% of the funds proposed to be raised through the issuance of ZCZPs. Development Impact Bond (DIB) is under process to be launched soon on the SSE platform.
- **Transparency through reporting:** Listed NPOs need to adhere the minimum reporting standards, including strategic intent, goal setting, and a social impact scorecard. They must also submit an Annual Impact Report assessed by a Social Impact Assessor.

OUTCOME & IMPACT

- Where several SSEs across the globe and could not sustain and faltered, the SSE platform of NSE in India has shown a promising start within 2 years of its launch.
- So far, over 115 NPOs have registered on NSE-SSE with 11 successfully listed projects and raised approx. Rs. 23cr in total across diverse developmental sectors such as education, skilling, agriculture, arts, culture & heritage, and poverty alleviation.
- The minimum reporting standard and Annual Impact Report assessment enhance organizational transparency and reporting capacities.

SUCCESS FACTORS & LESSONS LEARNED

- Building investor confidence, enabling retail participation, simplifying compliance, and fostering strategic partnerships are key to scaling SSE's impact and democratizing social finance.
- Supported by Government and the regulator like SEBI along with Capacity Building Fund (CBF) which includes NABARD, NSE, BSE and SIDBI, the platform has gained a promising traction within a short period.
- NSE-SSE launched e-IPO through ASBA and UPI to make donation process more efficient donor friendly.
- Starting from the lessons learned from other SSEs started in other countries, India's SSE is regularly learning by inviting feedback from the ecosystem and introducing those changes in real-time; e.g. SEBI has recently reduced the minimum application size from Rs. 10,000/- to Rs. 1,000/- to democratize giving.

Source:

- Communication with NSE in India
- Adhya, P. S., & Sahoo, S. K (2024) "Social Stock Exchange: A Breakthrough Towards Mainstreaming Sustainable Finance in India?" *Journal of Lifestyle and SDGs Review*, 4(4), e03861. <https://doi.org/10.47172/2965-730X.SDGsReview.v4.n04.pe03861>
- Bombay Stock Exchange, "BSE Social Stock Exchange," accessed December 2024, <https://www.bsesocialstockexchange.com/>
- National Stock Exchange of India, "Social Stock Exchange," accessed December 2024, <https://www.nseindia.com/sse>
- Paul, A. (2024) "The Triumphant take-off for Social Stock Exchange in India – Transforming the Social Enterprise Financing Landscape," *The Journal of Indian Institute of Banking & Finance*, April – June, 2024, <https://www.iibf.org.in/documents/BankQuest/Apr-June2024/5.pdf>
- The Economic Times, "While markets boom, what's up at India's Social Stock Exchange?" accessed December 2024, <https://economictimes.indiatimes.com/industry/banking/finance/while-markets-boom-whats-up-at-indias-social-stock-exchange/articleshow/112045270.cms?from=mdr>

Facilitating knowledge and data exchange

Recommendation 4 - Ensure access to expertise and network for impact managers and businesses

Recommended actions:

- 4.1 Identify, train, and support locally based managers with knowledge and an ability to invest in private sector health solutions:** Research in Ghana undertaken by the Secretariat found that investment managers in Ghana had received training from international experts on new asset classes which had enabled them to deploy innovative financing tools. Governments and other related organizations can support the capacity building of impact managers in different ways. For example, **International Climate Finance Accelerator Luxembourg (ICFA)**²⁵ is a public-private partnership which accelerates emerging fund managers, including those locally based, focusing on key areas within climate action through financial support, trainings on a wide range of topics, an experienced coach and others. In addition, one expert suggested **developing a guide of financial advisors by region** who impact managers and businesses can turn to for support through their business development stages. Local experts and impact managers play an outsized role, including non-monetary contributions such as services provided, in-kind advice, mentoring and expertise along with introductions to wider local and international stakeholders who might provide mentorship, expertise and potential funding.
- 4.2 Provide hands-on capacity building support to healthcare businesses:** Capacity building support is necessary throughout the different stages to support entrepreneurship and innovation in the global health space. This can be done through direct support from the government and international organizations, or through intermediaries including in-market investment managers. For example, the Indian government established the **Centre for Cellular and Molecular Platforms (C-CAMP)**,²⁶ which supports startups in life sciences providing access to high-end technology platforms, workshops/seminars, networking sessions, mentorship sessions and the vibrant entrepreneurial ecosystem. Another example is Amref, a leading health development NGO in Africa, that supports health tech entrepreneurs through the **Innovate for Life (I4L)**²⁷ program, by ensuring access to expertise and a network of stakeholders, donors and investors. Moreover, in one of the interviews conducted, the importance of having specific programs for women and encouraging them to apply was highlighted. The interviewee observed that in Africa, most applicants for capacity building programs are men, although women can be truly catalytic for the economy.

²⁵ International Capital Fund Administration (ICFA), accessed December 9, 2024, <https://www.icfa.lu/>.

²⁶ Centre for Cellular and Molecular Platforms (C-CAMP), accessed December 9, 2024, <https://www.ccamp.res.in/>

²⁷ Amref Health Africa, "Innovate for Life (I4L)," accessed January 10, 2025, <https://icd.amref.org/our-work/innovate-for-life-i4l/>



CASE STUDY - C-CAMP: India's leading life sciences incubator fueling innovation and entrepreneurship in healthcare

Established in 2009 and supported by the Department of Biotechnology, Government of India, the Centre for Cellular and Molecular Platforms (C-CAMP) is a vibrant bio-innovation ecosystem designed for innovators. It is one of India's largest entrepreneurial hubs dedicated exclusively to life sciences and related fields such as health, agriculture, and the environment. The nurturing environment at C-CAMP combines various support modalities with top-notch incubation services, including access to high-quality scientific equipment and facilities, funding opportunities, and mentorship in scientific, business, social, regulatory, and intellectual property-related areas. Additionally, C-CAMP offers a dynamic network of stakeholders that facilitates valuable connections. As of March 2025, C-CAMP has successfully nurtured nearly 500 innovation-driven ideas addressing critical issues in health, agriculture, and the environment.

KEY FACETS

- C-CAMP offers seed funding schemes for startups, entrepreneur mentorship and advancement programs, and bio-incubation facilities.
- It focuses on areas of unmet needs including, Maternal, Newborn & Child Health (MNCH), Antimicrobial Resistance (AMR), Diagnostics, COVID-19, Med-Tech, Digital Health, Agriculture, and Climate & Sustainability.
- It is supported by various central Government agencies such as BIRAC, NITI Aayog-AIM, MeitY, the Office of the Principal Scientific Adviser (PSA Office), Department for Promotion of Industry and Internal Trade (DPIIT) and Start-up India, and NSTEDB, as well as the Government of Karnataka, including the Department of IT, BT, & S&T, and K-Tech.
- Additionally, C-CAMP collaborates with private sector organizations to enhance its programs, including philanthropic organizations, foundations, and corporations.
- It has several international partnerships spread across the US, UK, Netherlands, Denmark, Switzerland, Japan, France, Brazil and Israel.

OUTCOME & IMPACT

- Since 2012, C-CAMP has supported nearly 500 life science startups and individual innovators. The organization has disbursed a total of 15 million USD. More than 85 of these companies have successfully raised follow-on funding amounting to approximately 560 million USD, with a cumulative valuation exceeding 1.5 billion USD. A significant portion of these startups primarily focuses on healthcare and its subthemes including new and improved drugs, medical devices, affordable diagnostics, etc.
- For its contributions to the entrepreneurial ecosystem, C-CAMP has received multiple awards from various departments of the Indian Government.
- C-CAMP supported innovations have positively influenced over 50 million lives across India and beyond.

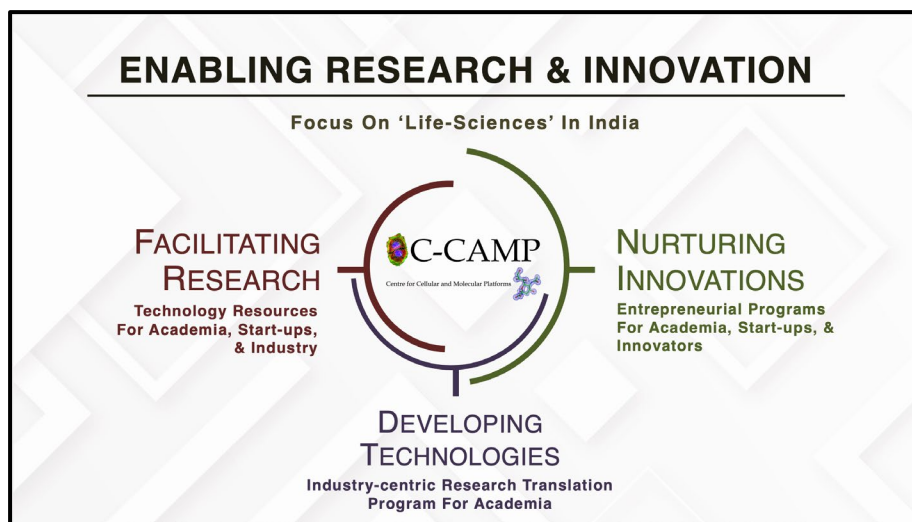
SUCCESS FACTORS & LESSONS LEARNED

- C-CAMP's strategic focus on biological sciences has enabled it to better understand the unique challenges in these sectors and to effectively develop interdisciplinary solutions. A key lesson learned by C-CAMP in amplifying impact is the importance of pairing the development of new solutions with efforts directed at their effective deployment in society.
- Its dynamic network of stakeholders allows C-CAMP to identify and support bold, impactful deep-science ideas for innovation. C-CAMP's diverse stakeholder network includes: a) Government agencies; b) Mentors and domain experts; c) Venture capital firms and angel investors for funding and investment purposes; d) Academic institutions; e) industry leaders; f) state health departments, hospital chains, a network of primary healthcare centres, and representatives from the medical community; and more.

Source:

- Communication with C-CAMP
- C-CAMP website, accessed February 2025, <https://www.ccamp.res.in/>
- AVPN, "AVPN Global Conference 2024" accessed February 2025, <https://app.avpn.asia/event/avpn-global-conference-2024/exhibitor/RXhoaWJpdG9yXzE2NTYyNzY=>

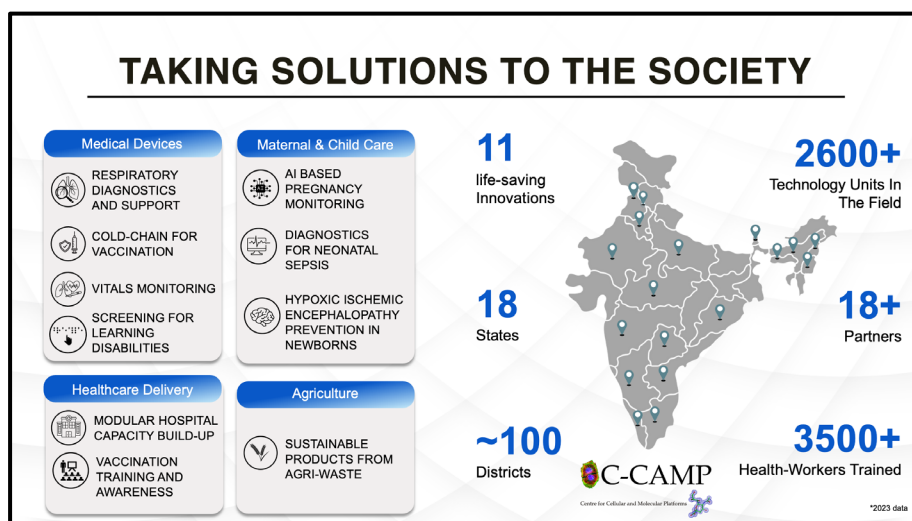
C-CAMP: Enabler Of Life Science Research And Innovation In India, For India & Beyond



C-CAMP: An Innovative Platform Made Possible Through Collaboration With Diverse Stakeholders



C-CAMP: Achieving Impact By Implementing Science-based Solutions In Society



Recommendation 5 - Develop a health data platform ensuring access to standardized and quality health data for investors

Recommended actions:

- 5.1 Collaborate to collect and present data in a way that helps investors making investment decisions in global health:** Data is critical in quantifying demand and informing investors of investable opportunities. While there are some existing tools, there is room for improvement in terms of strengthening data on global health. This can be achieved by expanding existing platforms and shaping more standardized approaches for gathering, qualifying, and sharing information. For example, UNDP has created **SDG Investor Platform**,²⁸ which provides data, information, and insights on investment opportunities with the potential to contribute to sustainable development including health. Furthermore, experts highlighted the suggestion to establish a global facility specifically focused on providing high-quality health data to enable investors better understand and monitor aspects such as access, scale and best buys. **Institute for Health Metrics and Evaluation's (IHME)**²⁹ data platform for global burden of disease created by the University of Washington School of Medicine provides rigorous and accurate data, analysis and evaluation which are useful for policymakers, health-related organizations and researchers. Establishing a similar data platform tailored for investors, or building on existing platforms with enhanced features for investors, would not only aid in identifying investable projects but also enable the quantification and measurement of impact. Consultation with Triple I partners highlighted the role local governments and authorities could play in such data platform, who could provide data or give assurance that they reflect the local context, giving investors more confidence. Additionally, it could encompass a global public utility that maps the last-mile distribution system for global health so that investors can have more visibility in, and confidence about, the work.

Improving procurement environment

Recommendation 6: Utilize outcomes-based models focused on scalability and innovation

Recommended actions:

- 6.1 Utilize outcomes-based models tailored for specific health impacts:** To improve the effectiveness of health impacts, it is crucial to incorporate measurable outcomes into both procurement and investment models. By doing so, we can better align capital and encourage wider participation, leading to increased support for health initiatives. Innovative approaches like social impact bonds (SIBs) and development impact bonds (DIBs), outcome funds, and similar pay-for-performance models offer creative solutions to incorporate outcomes-based

²⁸ UNDP, "SDG Investor Platform," accessed December 11, 2024, <https://sdgprivatefinance.undp.org/leveraging-capital/sdg-investor-platform>

²⁹ Institute for Health Metrics and Evaluation, accessed December 16, 2024, <https://www.healthdata.org/>

thinking, while taking note of the difficulty in designing and implementing these models. Strong leadership and collaboration among the different stakeholders, as well as adoption of these models in appropriate contexts are some factors that contribute to effective outcomes-based models. For example, in International Committee of the Red Cross' (ICRC) first **Humanitarian Impact Bond**,³⁰ the impact bond structure enabled bringing in funding from the private sector to support large-scale and experimental elements to improve physical rehabilitation services in conflict-affected regions, with a total of US\$27.6 million in potential outcome funding. Another example is the **Outcomes Fund for Fevers (OFF)**,³¹ which leverages performance-linked payments and aims to expand access to diagnostics for malaria and other diseases. During one of the Triple I events, a high-level panelist suggested setting up a health-themed outcomes fund where investors provide upfront financing for health programs, and outcome funders repay investors their principal plus returns if the programs achieve pre-defined outcomes.

³⁰ Oxford University, Blavatnik School of Government, "Humanitarian Impact Bond," accessed December 6, 2024, <https://golab.bsg.ox.ac.uk/knowledge-bank/case-studies/humanitarian-impact-bond/>

³¹ Health Finance Coalition, "Outcomes Fund for Fevers: Financing Initiative to Test and Treat Fevers in African Private Sector Launches at Clinton Global Initiative Meeting," accessed December 18, 2024, https://healthfinancecoalition.org/_off_launch_hfc/#:~:text=OFF%20is%20a%20new%20performance,during%20the%20Community%20Health%20session



CASE STUDY - Humanitarian Impact Bond: World's first of its kind to finance physical rehabilitation services in conflict zones

International Committee of the Red Cross (ICRC) launched world's first Humanitarian Impact Bond in 2017-2022 to finance physical rehabilitation centres and patient care for populations living in conflict-affected regions in Africa. The innovative Impact Bond structure enabled bringing in funding from the private sector in a traditionally public- and philanthropic-funded humanitarian context, with a total of \$27.6 million in potential outcome funding.

KEY FACETS

- **Partners:** Initial investment was provided by social investors, such as Bank Lombard Odier and New Re, and ultimately reimbursed through a payment-by-result agreements by outcome funders, including the governments of Switzerland, Belgium, Italy, the United Kingdom and "La Caixa" Foundation.
- **Other key stakeholders:** KOIS, a Triple I Partner, provided consulting services for HIB, with their experience and knowledge on social impact bonds. Pro bono financial and legal advice were provided by experts. Ministry of Health of respective countries played a critical role, as did the final evaluators, Philanthropy Advisors.
- **Communication Mechanism:** Investors, outcome funders and the ICRC met every three months to review progress, on the basis of quarterly reports from the ICRC.

OUTCOME & IMPACT

- Three new physical rehabilitation centers were built in the Democratic Republic of Congo (DRC), Mali and Nigeria, with staff trained and recruited, in coordination with the Ministries of Health. Productivity measures were introduced and then replicated in other, non-HIB centers.
- As a result, 3,000 people are now able to receive services in the HIB-supported new centers every year, with the number expected to grow going forward.
- Investors' initial investments were reimbursed, with no profit.

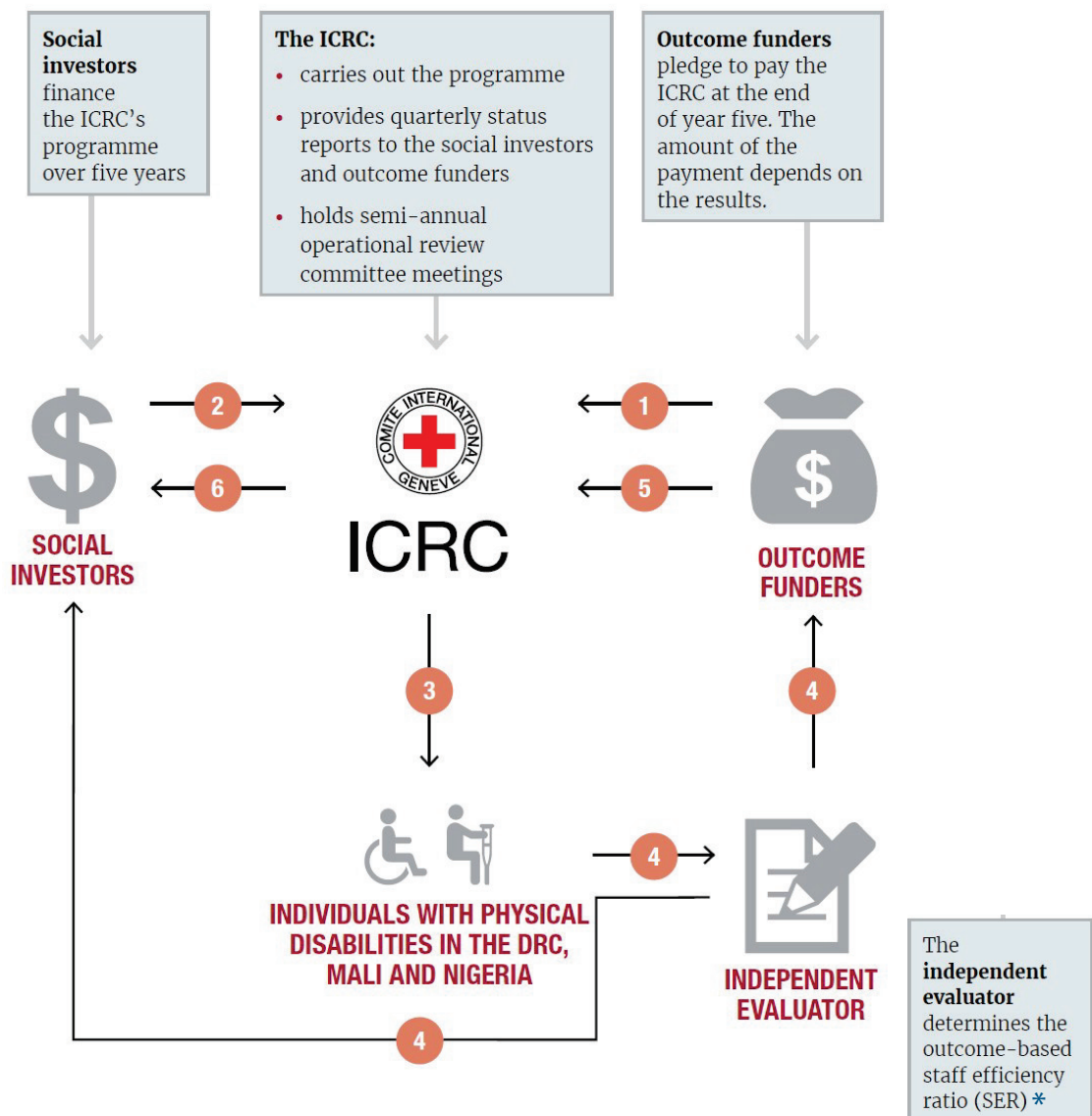
SUCCESS FACTORS & LESSONS LEARNED

- Although it was complex to design and expensive to set up, the Impact Bond structure helped provide longer term upfront capital to ICRC, brought together existing ICRC partners and new partners as well as private sector finance. The outcomes-based model was also effective at shifting ICRC's focus to efficiency and supporting greater accountability.
- Key success factors include partnership with investors, top leadership support, allocation of sufficient resources, and internal organizational readiness/capacity to design and deliver impacts bonds. Data and track record were key to attract investors.
- Apart from outlined above, ICRC's strong relationship with traditional donors and the latter's willingness to explore innovation in the humanitarian sector enabled the successful securing of enough outcome funders for HIB.

Source:

- Communication with ICRC.
- ICRC, "First Humanitarian Impact Bond successfully brings physical rehabilitation services to conflict-affected communities," accessed February 2025, <https://www.icrcnewsroom.org/story/en/704/first-humanitarian-impact-bond-successfully-brings-physical-rehabilitation-services-to-conflict-affected-communities>
- FCDO, "ICRC Humanitarian Impact Bond: A case study produced as part of the FCDO DIBs pilot Evaluation," accessed February 2025, https://iati.fcdo.gov.uk/iati_documents/60351755.pdf
- Impact Investing Institute, "ICRC Humanitarian Impact Bond," accessed February 2025, https://www.impactinvest.org.uk/wp-content/uploads/2021/04/ICRC-Humanitarian-Impact-Bond_.pdf

Structure of the Humanitarian Impact Bond



- 1 Conditional Pledge
- 2 Investments
- 3 Programme implementation
- 4 Outcome Evaluation & Verification
- 5 Payment for results
- 6 Repayment

*SER is defined as number of patients who regained mobility due to a mobility device divided by a number of local mobility device professionals

Recommendation 7 - Utilize cross-government demand-pooling mechanisms for economies of scale

Recommended actions:

7.1 Aggregate demand to negotiate prices and delivery conditions with manufacturers:

International and regional consortia can play a role in aggregating demand across countries to achieve economies of scale to justify investments in high up-front cost spaces such as vaccine and pharmaceutical manufacturing that do not have established markets yet. For example, Africa Centres for Disease Control and Prevention (Africa CDC) and Afreximbank lead the **African Pooled Procurement Mechanism (APPM)**³² to improve the affordability, availability, and equitable access of essential medical supplies in Africa. A similar kind of initiative could also be beneficial if expanded to cover other diseases and regions, as demonstrated by the efforts made by MedAccess³³, a prominent nonprofit organization that partners with makers and buyers of medical products to bring them to more people in LMICs. Aggregating demand can also provide the data and incentives needed for shaping IP-related mechanisms to encourage industry and investors to engage; for instance, global access agreements by which IP rights are essentially exchanged for pricing discounts in targeted LMIC countries.

7.2 Collaborate on medium- and longer-term health planning for products and services:

Bundling needs for a medium- and longer-term contract can better quantify demand and reduce prices. Governments and international organizations can also collaborate to quantify demand based on data to build and sustain investable business models, as well as to make informed decisions for both governments and manufacturers. For example, **GAVI's Vaccine Demand Forecasting**³⁴ provides vaccine demand forecasts to inform medium- and longer-term procurement and funding decisions for both manufacturers and LMIC governments.

Building an impact-conducive environment

Recommendation 8 - Promote and harmonize the use of consistent and transparent measurement strategies to ensure inclusive health impacts

Recommended actions:

8.1 Promote the adoption and integration of transparent/harmonized impact measurement and management (IMM) practices/policies: Encouraging discussions on the rigorous and transparent use of IMM is essential and the **Task Force on Climate-related Financial Disclosures (TCFD)** in the climate sector would be a good example for the health sector to refer

³² Africa CDC, "Safeguarding Africa's health – African Pooled Procurement Mechanism (APPM)," accessed December 10, 2024, https://globalhealth.charite.de/fileadmin/user_upload/microsites/ohne_AZ/m_cc11/globalhealth/Dokumente/Event_Documents/APPM_overview_seminar_series_1st_May_2024.pdf

³³ MedAccess, "Market shaping," accessed January 10, 2025, <https://medaccess.org/innovative-finance/market-shaping/>

³⁴ Gavi, "Vaccine Demand Forecasting," the Vaccine Alliance, accessed December 10, 2024, <https://www.gavi.org/our-alliance/market-shaping/vaccine-demand-forecasting>

to. Attention should also be given to the most effective IMM practices that focus on leveraging data to generate insights for improving investment decisions, enhancing impact performance, and promoting equity and inclusion.

- 8.2 **Encourage investors and investees, through training, harmonization, protocols, guidelines and incentives, to develop and disclose their IMM strategies:** This may include governance frameworks, metrics used for measuring achieved impacts — that should be specific and directly relevant to the work of the investee — and progress toward achieving impact goals, due diligence practice, etc. The open proliferation of IMM practices will allow other organizations to refer to and adhere to standard practices and norms. Expanding and advancing IMM adoption will lead to the development of investment-relevant information, based on substantiated impact data. Robust, standard IMM practices can also be a check against ‘impact-washing’ concerns. Advancing the IMM practices of impact investors in global health may help to stay compliant with the European regulatory framework (e.g., **Sustainable Finance Disclosure Regulation (SFDR)**) and attract additional capital marked for SFDR Article 9-compliant funds.
- 8.3 **Future work:** Under Triple I for GH, a separate Working Group dedicated to IMM is discussing possible harmonization of existing practices. Recommendations specifically on IMM are scheduled to be published in 2025.

Recommendation 9 - Shape an enabling regulatory environment to support impact investors and businesses

Recommended actions:

- 9.1 **Framework for investors/intermediaries:** Advance the effective use of social and environmental factors in investment decision in countries providing the investment as well as attract impact investing by fostering enabling environments in countries receiving the investment. Examples of country-based regulations and guidelines include the EU’s **Sustainable Finance Disclosure Regulation (SFDR)**³⁵ and **Rwanda Development Board (RDB)**.³⁶ Government actions can be taken not only through legally binding regulations, but also guidelines, principles, and declarations that demonstrate the government's commitment to promoting impact investment. Examples include the **Basic Guidelines on Impact Investment (Impact Finance)**³⁷ in Japan and the comprehensive **guidelines for equity or crowdfunding introduced by Ghana's Securities and Exchange Commission (SEC) and the UN Capital**

³⁵ European Commission, "Sustainability-related disclosure in the financial services sector," accessed December 10, 2024, https://finance.ec.europa.eu/sustainable-finance/disclosures/sustainability-related-disclosure-financial-services-sector_en

³⁶ East African Community, "Setting Up and Operating an Investment in Rwanda," accessed December 9, 2024, <https://www.eac.int/operating-environment/public-private-partnerships/243-sector/investment-promotion-private-sector-development/investment-guide/2498-setting-up-and-operating-an-investment-in-rwanda>

³⁷ Financial Services Agency of Japan, "Finalization of "Basic Guidelines on Impact Investment (Impact Finance)," accessed December 19, 2024, <https://www.fsa.go.jp/en/news/2024/20240329.html>

Development Fund.³⁸

- 9.2 **Framework for impact businesses and social enterprises:** Enhance global or regional frameworks that allow impact businesses to boost their business operations in LMICs. For example, **Partnership for African Vaccine Manufacturing**³⁹, led by Africa CDC, aims to strengthen National Regulatory Authorities and Regional Centres of Regulatory Excellence in Africa in order to enhance local vaccine manufacturing. Another example is Gavi's **African Vaccine Manufacturing Accelerator**⁴⁰ which boosts investment into vaccine manufacturing in Africa. Laws that provide endorsement and legal protection to companies engaging in socially beneficial activities, such as **Public Benefit Corporations**⁴¹ in the US and **Societa Benefit**⁴² in Italy, could also be encouraged to expand to other countries. Tax incentives for investors, such as the **Qualified Small Business Stock (QSBS)**⁴³ in the US and the **Enterprise Investment Scheme (EIS)**⁴⁴ in the UK, could also be utilized in LMICs to promote impact investor-friendly regulations, helping to unlock local impact-investing capital, which is valuable for both de-risking and enhancing local ecosystems.
- 9.3 **Framework for philanthropies:** Encourage cross-border philanthropic financing, including tax credit for cross-border philanthropies, incentives or mandates to promote more spend-down of donor-advised funds or other similar mechanisms, that would unlock more funds to de-risk investments and complement social impact investing. For example, Singapore is introducing the **Overseas Humanitarian Assistance Tax Deduction Scheme (OHAS)**⁴⁵ as a four-year pilot, providing 100% tax deductions for qualifying cash donations to overseas humanitarian causes. The increase in philanthropic funding for LMICs as a catalytic capital could make it easier to attract more private sector investment.

³⁸ Securities and Exchange Commission, "Ghana's Securities and Exchange Commission and UNCDF Launch Landmark Crowdfunding Guidelines to Crowd-In Investments and Boost Entrepreneurial Growth," accessed December 19, 2024, <https://sec.gov.gh/ghanas-securities-and-exchange-commission-and-uncdf-launch-landmark-crowdfunding-guidelines-to-crowd-in-investments-and-boost-entrepreneurial-growth/>

³⁹ African Centers for Disease Control and Prevention (Africa CDC), "Partnerships for African Vaccine Manufacturing (PAVM) Framework for Action," accessed December 10, 2024, <https://africacdc.org/download/partnerships-for-african-vaccine-manufacturing-pavm-framework-for-action/>

⁴⁰ Gavi, "African Vaccine Manufacturing Accelerator (AVMA)," accessed January 9, 2025, <https://www.gavi.org/programmes-impact/types-support/regional-manufacturing-strategy/avma>

⁴¹ The Delaware Code Online, "The TITLE 8 Corporations CHAPTER 1. General Corporation Law Subchapter XV. Public Benefit Corporations", accessed January 9, 2025, <https://delcode.delaware.gov/title8/c001/sc15/>

⁴² Societa benefit, "English information for companies called 'Società Benefit'," accessed January 10, 2025, <https://www.societabenefit.net/english-information/>

⁴³ U.S. Small Business Administration, "Qualified Small Business Stock: What Is It and How to Use It," accessed December 18, 2024, <https://www.sba.gov/blog/qualified-small-business-stock-what-it-how-use-it>

⁴⁴ GOV.UK, "VCM10010 - Enterprise Investment Scheme: overview of EIS reliefs," accessed December 18, 2024, <https://www.gov.uk/hmrc-internal-manuals/venture-capital-schemes-manual/vcm10010>

⁴⁵ The Ministry of Finance, Singapore, "Annex G-2: Overseas Humanitarian Assistance Tax Deduction Scheme," accessed December 6, 2024, <https://www.mof.gov.sg/docs/librariesprovider3/budget2024/download/pdf/annexg2.pdf>



CASE STUDY – Ghana's Securities and Exchange Commission (SEC): New crowdfunding guidelines to unlock impact investing capital

To address the lack of small-scale funding needed by early-stage entrepreneurs in West Africa, Ghana's Securities and Exchange Commission (SEC), in collaboration with the UN Capital Development Fund (UNCDF) and Lelapa - African FinTech Advisory, launched crowdfunding guidelines in 2024. These guidelines aim to regulate and facilitate the process of raising local capital via online platforms, ensuring investor protection and transparency in crowdfunding activities in Ghana.

KEY FACETS

- **Licensing Requirements:** Crowdfunding intermediaries are required to obtain a license from the SEC to operate legally.
- **Investor Protection:** The guidelines include several measures to protect investors from potential fraud and financial loss, such as ongoing disclosures, investment limits (both for issuer and investor), and risk warning.
- **Operational Standard:** Platforms must follow particular operational standards, including data protection and anti-money laundering measures to guarantee the integrity and security of the crowdfunding process.
- **Transparency and Disclosure:** Companies aiming to raise funding through crowdfunding must offer comprehensive details regarding their business and financial status, which helps investors make informed decisions.

OUTCOME & IMPACT

- As of March 2025, the SEC has received six license applications, with two being granted.
- One of the licensed intermediaries has the potential of developing a blended finance structure with a DFI.

SUCCESS FACTORS & LESSONS LEARNED

- Embedding the regulations in the existing Small and Medium Enterprise (SME) finance ecosystem notably by providing local capital providers with a new pathway to raise capital from individuals alongside institutional investors. This allows them to build the track record required to raise larger funds from DFIs.
- Capacity building of local regulators through the technical assistance of the UNCDF, in collaboration with Lelapa, played a crucial role in the development of the guidelines that capture the local context in Ghana.
- The SEC demonstrated a great understanding of market realities and was open to adapting new regulations.
- Leveraging networks such as the Women in African Investments (WAI) Group and the Collaborative for Frontier Finance was instrumental in reaching consensus on the desired guidelines and building trust between regulators and private sector actors.

Source:

- Interview with Ms. Elizabeth Howard, Lelapa.
- Ghana's Securities and Exchange Commission, "Ghana's Securities and Exchange Commission and UNCDF Launch Landmark Crowdfunding Guidelines to Crowd-In Investments and Boost Entrepreneurial Growth," accessed February 2025, <https://sec.gov.gh/ghanas-securities-and-exchange-commission-and-uncdf-launch-landmark-crowdfunding-guidelines-to-crowd-in-investments-and-boost-entrepreneurial-growth/>
- Ghana's Securities and Exchange Commission, "Securities Industry (Crowdfunding) Guidelines 2024 SEC/GUI/002/03/2024" accessed February 2025, https://sec.gov.gh/wp-content/uploads/Final-Regulatory-Laws/Guidelines/SEC_Crowdfunding_Guidelines_2024.pdf

Next steps

Going forward, the report will be widely disseminated to influential entities including G7/G20/LMIC governments, as well as key organizations such as MDBs, DFIs, international organizations, and foundations that could play a vital role in the field of global health. Moreover, the Secretariat will organize discussions with important stakeholders on how countries and related organizations could take further steps to follow up on the recommendations. Ultimately, our overarching objective is to share good case studies, raise awareness of the opportunities on impact investment, and inspire policymakers and decision-makers around the world to take tangible steps toward promoting impact investment in global health. Through innovative financing mechanisms, strategic advocacy efforts, and others, we seek to drive real change and foster a sustainable global health landscape.

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Triple I Working Group on Policies and Enabling Environments

Chair:

Mr. Steve Davis, Co-Chair of Triple I, Senior Advisor and Interim Director of the Philanthropic Partnerships Team, Bill & Melinda Gates Foundation, Stanford Graduate School of Business Lecturer and Global Health Faculty Fellow, Member of the Council on Foreign Relations

Members (in alphabetical order):

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Mr. Michael Anderson, Chief Executive Officer, MedAccess

Ms. Monisha Ashok, Director, Health Investments, United States International Development Finance Corporation

Mr. Frank Aswani, Chief Executive Officer, Africa Venture Philanthropy Alliance

Ms. Madhavika Bajoria, Executive Director of Health Impact, AVPN

Mr. Eduardo Banzon, Director, Health Practice Team, Human and Social Development Office, Asian Development Bank

Mr. Rick Beckett, Chief Executive Officer Emeritus, Global Partnerships

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The Triple I Secretariat would like to express its appreciation to the Working Group members, Triple I partners, G7 countries, and other relevant organizations for their invaluable inputs and comments in compiling this report.

