



For Immediate Release

U.S. SMALL BUSINESS ADMINISTRATION (SBA) IDENTIFIES IRIS AS THE PREFERRED MEANS OF IMPACT MEASUREMENT FOR ASSET MANAGERS APPLYING FOR IMPACT INVESTMENT FUNDING PROGRAM

Read the SBA's Updated [Policy for Impact Reporting & Measurement](#) by Impact Small Business Investment Companies

SEPTEMBER 26, 2014 - The U.S. Small Business Administration (SBA) announced yesterday that fund managers applying to the SBA's newly expanded Impact Investment Fund "must commit to measure their social, environmental or economic impact using an assessment system based on The Global Impact Investing Network's Impact Reporting and Investment Standards." The initiative, which was launched in 2011 as part of the federal government's efforts to support the growth and development of the United States' impact investing industry, commits to make \$1 billion available to licensed Impact Small Business Investment Companies (SBICs) over the course of five years.

The [updated SBA policy](#) allows Impact SBICs to pursue their own Fund-identified impact investing strategies, beyond the SBA national priority areas (such as investments in rural or low-income communities) that were required in the past. Those pursuing investments outside of national priority areas, however, must obtain IRIS-aligned impact measurement assessments from third-party sources and use impact measurement to "describe how the investment meets the customized definition of an 'impact investment' that the Impact SBIC provided during the licensing process."

"We are very pleased with the US Small Business Administration's decision to incorporate IRIS metrics, a move that is indicative of a larger evolution in impact investing which increasingly ties the allocation of capital to credible impact measurement," said Luther M. Ragin, Jr., President and Chief Executive Officer of the Global Impact Investing Network. "In the past year, governments around the world have shown growing support for incorporating rigorous impact measurement practices into impact investment programs and initiatives."

In late 2013, the U.K.'s Department for International Development (DFID) launched the £75M DFID Impact Fund, which is managed by CDC, the UK's Development Finance Institution, and invests in impact investment intermediaries that provide capital to enterprises which serve the poor in sub-Saharan Africa and South Asia. Funds applying for and receiving investment from the DFID Impact Fund are asked to [reference IRIS metrics](#) to define and track their reach among beneficiaries with socio-economic backgrounds core to the DFID Impact Programme.

Additionally, earlier this month, the Social Impact Investment Taskforce, established by the G8, released the [final report and guidelines of its international Impact Measurement Working Group](#), one of four high-level working groups set up to provide collaborative leadership in specific areas of interest in impact investing. The recommendations of the Impact Measurement Working Group fed into the broader [Taskforce report](#) that launched on September 15, 2014. The highly-anticipated report was the culmination of a year-long effort of the Taskforce to inform the development of the social impact investing industry. The publication will also inform the country-specific recommendations developed by national advisory boards devoted to spurring progress in impact investing in their respective countries.

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About IRIS and the GIIN

IRIS is a catalog of generally-accepted performance metrics that can be used by the impact investing community to measure social, environmental, and financial performance. IRIS is an initiative of the Global Impact Investing Network (GIIN). The GIIN is a nonprofit organization dedicated to increasing the scale and effectiveness of impact investing. Impact investments are investments made into companies, organizations, and funds with the intention to generate measurable social and environmental impact alongside a financial return. Impact investments can be made in both emerging and developed markets, and target a range of returns from below market to market rate, depending upon the circumstances. The GIIN builds critical infrastructure and supports activities, education, and research that help accelerate the development of a coherent impact investing industry. For more information, please visit www.thegiin.org.

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