

インタビュー動画書き起こし

(事務局にて仮に作成したものであるため正確な内容は動画をご覧ください)

Thankyou for inviting me today

I am Cliff Prior,

CEO of the Global Steering Group for Impact Investment – the GSG

We were founded on the belief that investment done well
can benefit all people and our shared planet.

Our mission is to influence the achievement
of positive social and environmental outcomes
through an effective and diverse global movement.

This movement is now over 60 countries strong,
34 of which have already reached the status of a National Advisory Board for Impact
– including in Japan

As inequality continues to rise around the world,
and climate change threatens the future of our planet,
it is clear that our economic and financial systems
are not working to solve the challenges we face
Governments and philanthropy alone cannot turn this around
Private capital has a key role to play, through impact investment

Impact investment seeks to correct social inequalities
and protect the environment
whilst also providing profits for investors
It does so by optimising risk, return and impact, all considered together

In 2021, the United Kingdom held the presidency of the G7
- 8 years since the 2013 UK presidency
which launched the first impact taskforce and also launched the GSG

The GSG worked with our Foreign and Development Agency
and the UK National Advisory Board
to create an industry driven Impact Taskforce or ITF
Chaired by the Right Honourable Nick Hurd, a former Minister,
the ITF brought together 120 high level leaders
from across sectors and across 40 countries
with the aim to help answer crucial questions
about moving private capital at scale for public good,
with real impact and without leaving people and places behind
I am grateful for Mr Sugano, Ms Ishii, and Mr Yanagi,
for their full participation in the taskforce

The questions were tackled through two workstreams:

The first was led by the GSG and by S&P Global,
addressing impact transparency, integrity and harmonisation

The second was led by the UK NAB

focused on mobilising capital across asset classes into emerging economies
to support a just transition – social and environmental justice
– to achieve a sustainable future.

The members worked for 5 months to answer these questions

The outputs were launched and handed to the UK Government in December 2021

The key recommendations in the first workstream include:

- calling on governments to support and participate in the IFRS efforts to create an International Sustainability Standards Board - ISSB for global reporting on enterprise value, with harmonised standards
- calling on an urgent build on this baseline, for example through company law, scope of directors duties, voluntary and mandatory disclosure, further evolution of accounting and assurance standards, to cover all impact data
- urgent work towards mandatory accounting for impact, based on greater transparency, harmonised global standards, and data integrity
- to deliver effective approaches to impact valuation – covering both enterprise and externalities

And in the second workstream:

- coordinated and urgent movement to remove the many barriers that currently limit the flow of institutional investors capital to emerging economies
- recognition of the need for integration of environmental and social factors to drive a just transition, with three elements: climate action, socio economic equity, and increasing community voice
- supporting mobilisation of capital by enhancing the role of multilateral development banks and development finance institutions
- and an increase in transparency

Taken together,

these recommendations provide a change in the system of finance

- recognising the externalities of companies actions for the long term
- whilst opening up channels of finance right now

The reaction of these recommendations have been strong

With 3 million social media responses and over 70,000 video views in the first week
– and continuing to develop.

The UK government is working with the GSG to identify the first round of actions and will also provide a formal response

The UK is also working up an energy transition for emerging economies from high carbon to clean energy backed with that Just Transition approach – social support alongside the climate initiatives

National Advisory Boards have been seeking discussions like this here in Japan translating the reports into country languages and creating conferences and sessions, from the main Latin American event the FLII, to individual country events as here today

9 countries in Latin America have signed up to a joint approach to an Advisory for the Implementation of the Impact Taskforce

The Netherlands is working to promote the ITF, engaging ministers, local and national government, and market regulators

Spain and S Korea are separately bringing together groups of corporates to understand and test out the ITF recommendations

S Korea is also creating an impact valuation group

S Africa is working on how their NAB can become a platform for energy transition and the social transition that must work alongside

And of course Emmanuel Faber has taken up the chair of the new ISSB and is currently recruiting its board membership

The German Presidency of the G7 comes next

The GSG and the German NAB

have had 4 ministerial meetings and discussions with the G7 Sherpa

As the German NAB is only recently formed, discussions are still continuing

However it is likely that they will pick up a number of the Taskforce recommendations focusing on impact infrastructure and mobilisation of funds to emerging markets and on support to the ISSB baseline and to the efforts to build impact valuation

The G20 has the Indonesian Presidency in 2022, the first time the G20 has been held by an emerging economy

The G20 is a much more complex system, requiring consensus across all 20 countries

However we already see that ensuring sustainable and inclusive growth is high on the priority list

This is an outstanding set of initiatives

more coming in week by week

And of course, it is Japan that takes the G7 Presidency in 2023

By 2023 we expect that the ISSB has brought together

a global baseline of harmonised standards for impact

We expect that voluntary disclosure

of impact against these standards is becoming commonplace

with some countries such as in the EU making impact disclosure mandatory

A new impact valuation reporting entity is likely to place monetary values on initial areas of business such as environment, nature based, and jobs
We should see an opening up of some of the barriers to funds flowing into emerging economies

with changes to the mandates of development finance institutions

And that there will be overwhelming political pressures to ensure there is social justice in measures required for climate mitigation
- a just transition to a net zero carbon and socially balanced future

Honoured Japan members of the Taskforce will tell you much more, and give their insights into 2022 and beyond

Meanwhile I believe that these recommendations and the immense urgency for them will create breakthrough changes

- already ESG investing is over 30% of all listed assets globally
- green, social and sustainable bonds are ramping up rapidly
- impact standards allow clarity of what is really happening
- and the GFANZ alliance for net zero has brought together over \$130 trillion of private capital across 450 firms and 45 countries

Japan has created outstanding initiatives in its financial sector

For example the concept of Universal Ownership Model for pension and insurance funds has been taken up in many other countries

But in the next few years the pace of change will increase rapidly

And it is important for all the main financial centres, including Japan to be ready for this change in pace

We know there is an urgent need to narrow the gap between promises and delivery in intergovernmental discussions

We know that private capital and enterprise will be critical to our shared future

The challenges should never be underestimated

But we have a window of opportunity

- climate change is now all around us – people can see and feel the changes already starting
- citizens and consumers are shifting their values
- digital technologies are creating opportunities to deliver and measure social and environmental impact in ways that were previously inconceivable
- and many of the big growth areas for future investing are impact areas from health and education to clean energy and sustainable agriculture

And now more and more influential leaders are showing the way

I hope and believe that this Impact Taskforce will provide a pathway to a better future

And will assist your efforts to create a sustainable future

A future where Japan can be a leded towards a better, safer world

Thank you

