

**SPECIAL FEATURE**

*This feature is sponsored by Agents for Impact.*



**Agents for Impact:  
Driving Positive Impact... Together!**

The 17 Sustainable Development Goals (SDGs) outlined by the UN in 2015 provide a blueprint for a just and sustainable world. While actors across a range of professional arenas are rushing to catch up with the SDGs, the term “impact” is being thrown around loosely to give the impression that the desired goals have been reached. It is tempting to assume certain businesses have a positive impact on the SDGs, simply based on intuition. However, some might negatively impact the SDGs or elicit both positive and negative outcomes in the long run. Without proper tools for impact measurement and assessment, we can only get so far!

Agents for Impact (AFI) understands how essential it is to improve the practice of impact measurement through stable and coherent frameworks. To deliver on this promise, we have designed a specialized investment approach to support microfinance institutions (MFIs) that exhibit strong commitment to and proven track records of progress toward the SDGs. To evaluate an MFI’s performance, AFI peels back the surface to deploy a strong assortment of cohesive and rigorous assessment tools, including financial analysis and addressing social performance indicators; sustainability factors; and environmental, social and governance (ESG) risks. We assess the MFI’s sustainability performance and its alignment to the SDGs using our in-house Sustainability Alignment Rating (AFISAR®) Tool. Through a holistic approach combining ESG indicators in consonance with a range of internationally agreed-upon standards, the AFISAR® Tool helps make impact measurable, quantifiable and transparent.



**We support the Sustainable Development Goals**

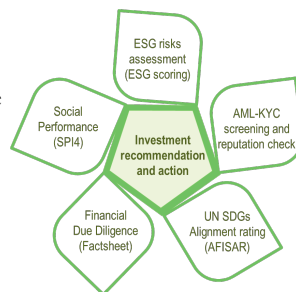
Check our [news feed](#) to find out more! Or to learn about our custom-built services, please email us at [info@agentsforimpact.com](mailto:info@agentsforimpact.com) or call +49 69 2043 69912.

**Leaving No One Behind**

The Asian Development Bank estimated this year that close to USD 4.9 trillion must be injected into the economy of the Global South annually to meet the SDGs by 2030. However, investments are running 69 percent short of this target. Therefore we argue that, based upon the SDG principle of “Leaving No One Behind,” challenges such as unemployment, poverty, gender inequality and climate change can only be addressed adequately through a unified global effort. With AFI’s unique approach to measuring impact and our exceptional research quality, we tackle business and finance problems in a manner that serves people and positively contributes to the wellbeing of the planet.

**Measuring Impact**

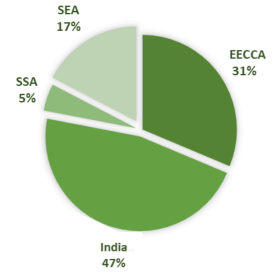
Amid the ongoing buzz about impact investment, many investors not only are looking to reduce ESG risks in their investment portfolios but are eager to understand how they can be proactive in creating positive impacts on society and the environment. This paradigm shift has created the potential for significant expansion and changes



in the geographic direction of capital to where it is required most. For example, MFIs in emerging economies can be significant drivers for promoting inclusive, sustainable development. They do this by giving small loans to microentrepreneurs, providing finance for housing, education, food security, clean energy, etc. With over a billion people in Asia living below the poverty line, microfinance offers tremendous potential to reach underserved populations with financial access. Therefore, AFI focuses its operations in Eastern Europe, the Caucasus and Central Asia (EECCA); South Asia; and Southeast Asia (SEA); and it has most recently set foot in Sub-Saharan Africa (SSA).

AFI’s diverse team, headquartered in Frankfurt, Germany - with Agents in India, Bangladesh, Ukraine, Philippines, Kenya and Indonesia - builds bridges between finance and impact. One of our main goals is to enable a conducive environment for investments to achieve the SDGs. Since its inception, AFI has facilitated investments totaling over USD 200 million to 25 MFIs. The biggest chunk of the portfolio - around USD 100 million - is allocated to the Indian microfinance sector, reaching 6.9 million clients.

**PORTFOLIO DISTRIBUTION**



AFI recognizes the potential of microfinance to contribute to reducing inequalities, promoting entrepreneurship and making women more economically resilient, helping them be more optimistic when planning their future and the futures of their children. Accordingly, 97 percent of our end-clients are female entrepreneurs from low-income households.

**What Our Partners Say**

“We are very glad for the AFISAR® results, which help us to gain valuable insights into our SDG performance, also by benchmarking us against other organizations in our sector.”

- Mr Arunkumar Padmanabhan, Founding Director and CEO at Svasti Microfinance

“Aye Finance is excited to partner with Agents for Impact for our 3-year AFISAR® partnership. We have gained valuable insights into the strengths and weaknesses of our SDG performance during the management workshop and by benchmarking us against the metrics of other Indian organisations.”

- Mr Sanjay Sharma, CEO/MD & Co-Founder at Aye Finance Private Limited

With a very successful year behind it, AFI is well positioned to promote the transition to a just and equitable world.

**Initiatives**

We are an active member of the Federal German Impact Investing Initiative, co-leading its “Initiative on Impact Measurement & Management.”

