

# Nature Funds: Exploring the Feasibility of Benchmarking for Comparability

*Case studies from the GIIN*

*12 September 2024*

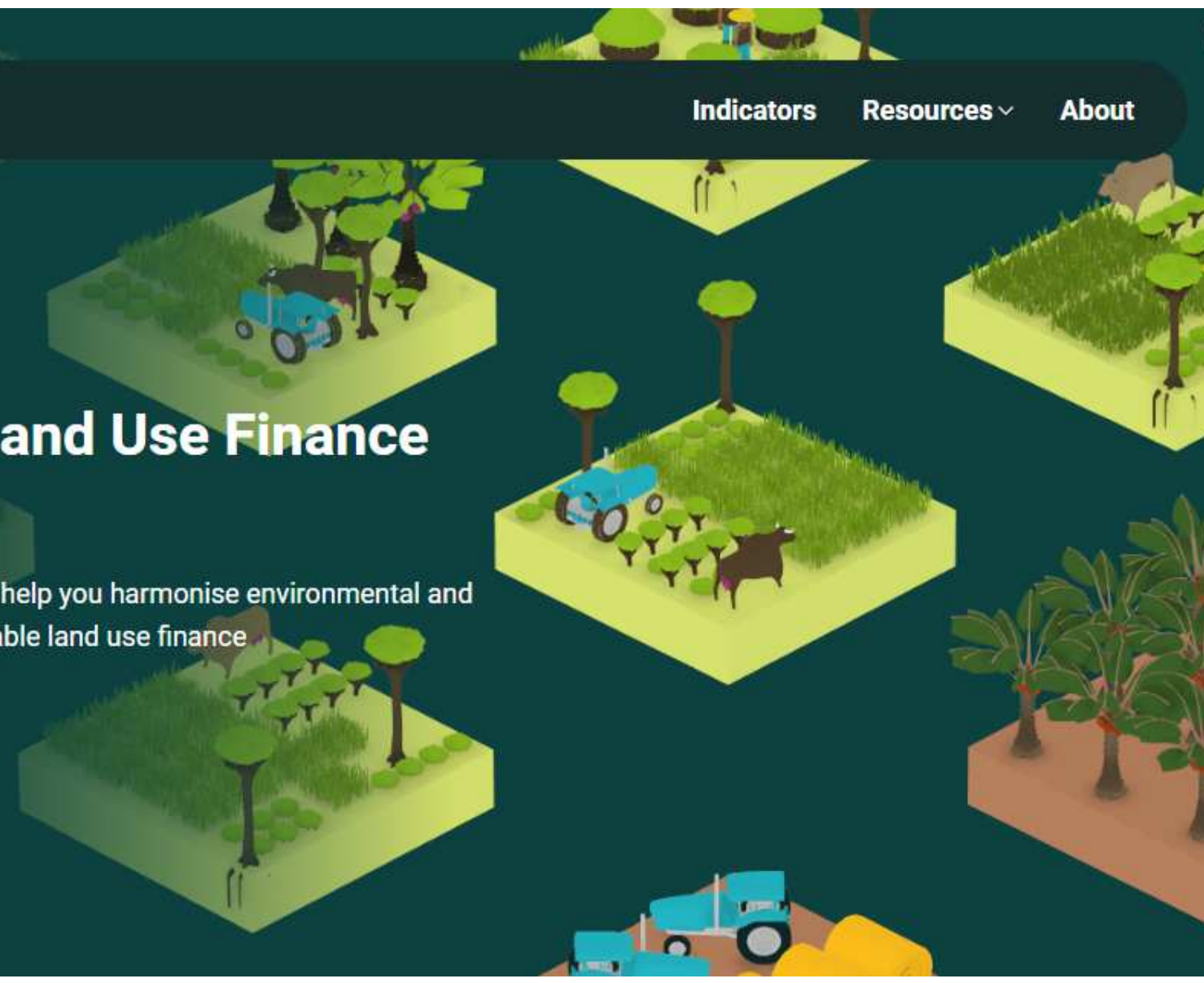


FINANCING  
SUSTAINABLE  
LAND USE



# Welcome to the Land Use Finance Impact Hub

A collection of tools and guidance to help you harmonise environmental and social impact monitoring for sustainable land use finance



# Agenda

1. Opening and introduction
2. Introduction to the GIIN forestry and agriculture benchmarks
3. Panel Discussion: Challenges and opportunities in developing nature benchmarks: Insights from funds



**Veronica Ayzaguer**  
Fund and Impact Manager  
*Agroempresa Forestal*



**Aelish Benjamin-Brown**  
Senior Analyst - Impact  
monitoring - Lending  
Root Capital



**Martin Halle**  
Finance Lead  
*UNEP-RSCF*

4. Q&A session, with audience sharing their experience
5. Key takeaways and closing



# A shared vision

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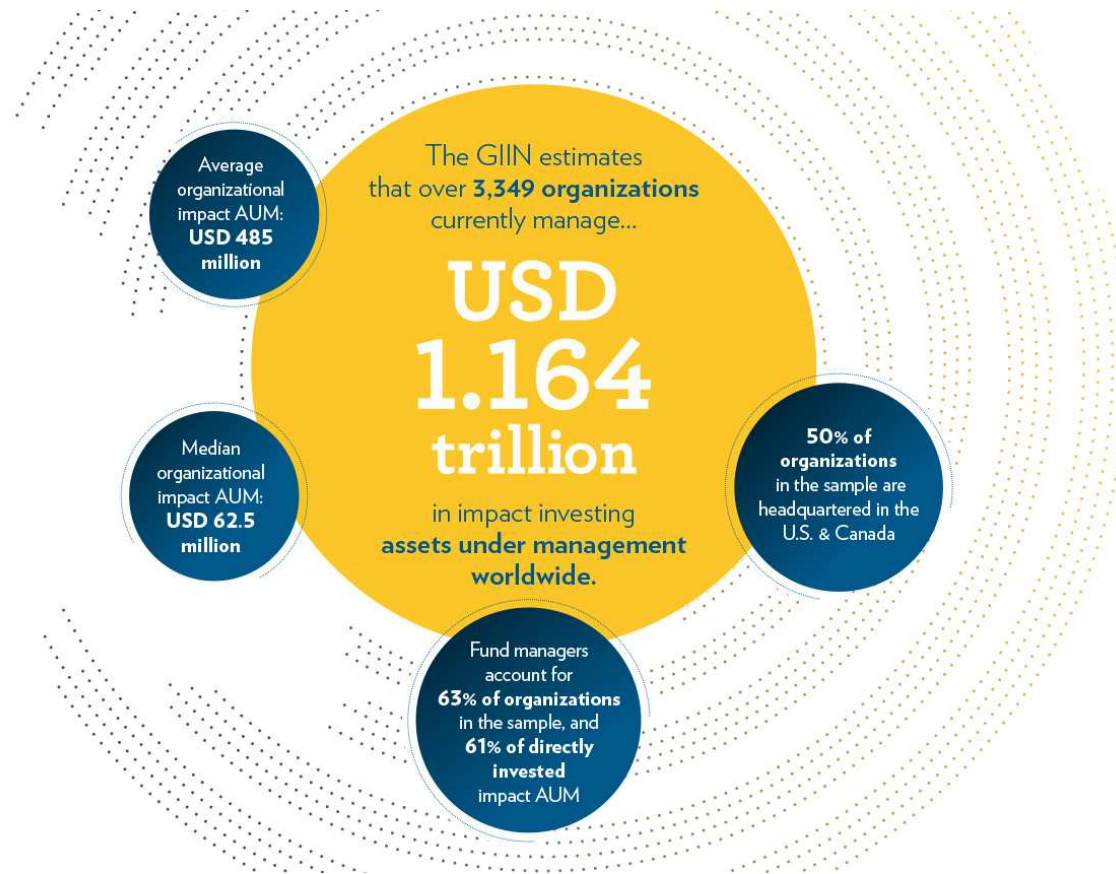
*“...when **social and environmental factors** are integrated into investment decisions simply by default, as the ‘**normal**’ way of doing things.”*

The Roadmap for the Future of Impact Investing

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# The full **impact** investing market size is estimated at...



Source: 2022 GIIN Sizing the Impact Investing Market; n= 3,349

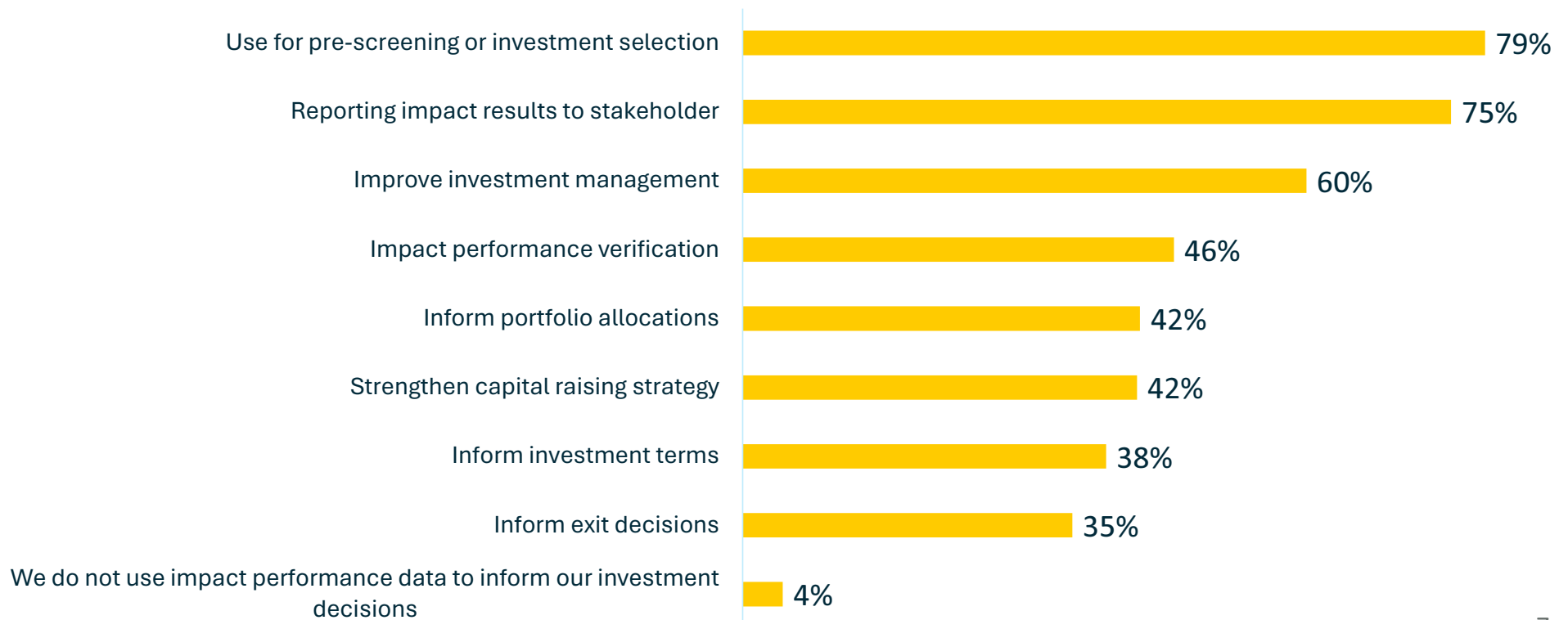
# Investors cite fragmentation and comparing impact results to peers as the top challenges facing the industry



n = 307 impact investors  
 Source: 2023 GIINSight series, Global Impact Investing Network (GIIN)

# Use of impact data to inform investment decisions

How investors use impact performance information throughout the investment process:



# Investor challenges signal untapped opportunities



**Differentiation**  
in an increasingly  
competitive landscape



**Mitigating impact washing**  
by demonstrating  
contextualized impact results

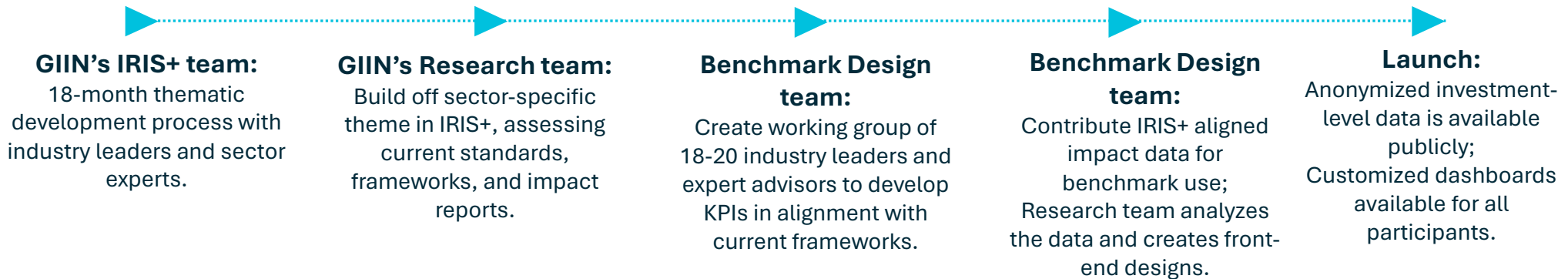


**Comparing impact  
performance**  
to peers and the Sustainable  
Development Goals

***Impact performance tools** can help investors set impact targets, construct portfolios, conduct due diligence, manage investment performance, and inform reporting. Ultimately, impact tools will **accelerate progress towards solving global challenges** by providing market transparency and enabling rigorous decision-making.*



# Development process and use cases



Target setting:

What impact targets can I **reasonably expect** to hit with this investment?



Investment selection:

How can I **select investments** that meet my impact goals and improve my due diligence process?



Investment management:

How am I stacking up against **my peers and SDGs**?  
Are these investments **good enough**?



Reporting:

How can I **demonstrate my impact** to LPs and others?



Root Capital is a private debt impact investor committed to empowering rural agricultural enterprises through their credit + capacity model. Root Capital's impact strategy spans across four key areas:

- **Access to Finance**
- **Climate Action**
- **Gender Equity**
- **Next Generation Jobs**

Root Capital supports 2.9 million hectares of land sustainably managed in Latin America, Africa, and Southeast Asia, with initiatives that aim to drive sustainable, inclusive growth in vulnerable communities worldwide.



Agroempresa Forestal (AF) is an impact investment manager of nature-based assets with social and environmental responsibility. AF's impact investments address several crucial areas:

- **Land ownership**
- **Labor standards**
- **Biodiversity conservation**
- **Climate action**

AF manages forestry assets, totaling over 140,000 hectares of land, across Uruguay and Chile, using sustainable practices to ensure long-term value creation for investors while promoting environmental stewardship and community well-being.

# Disclaimers

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