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## **SIFMA Hosts Social Impact Investment Roundtable on Capitol Hill, Bringing Together Industry Experts and Lawmakers.**

Washington, DC, May 26, 2016 – Today, SIFMA hosted a roundtable on Social Impact Investing with industry experts and Members of Congress. The event fueled a discussion between the financial services industry and Members of Congress, on the role of America’s capital markets in creating and funding programs designed to improve local communities. The event was held on Capitol Hill and participants included Kenneth E. Bentsen, Jr., president and CEO of SIFMA, as well as Representatives Tom MacArthur (R-NJ), John Delaney (D-MD), Tom Reed (R-NY) and Jared Polis (D-CO). Industry participants included Audrey Choi, CEO, Institute for Sustainable Investing, Morgan Stanley; Stephen Freedman, Head of Thematic and Sustainable Investing Strategy US, UBS; and Navjeet Bal, Executive Vice President & General Counsel, Social Finance.

“Social impact investing is an innovative way to fund programs that fulfill a societal need. Discussions like today’s roundtable highlight the need for continuing dialogue between the public and private sectors in advancing social impact investing projects, as more communities turn to the capital markets to finance projects that have positive societal impact,” said Kenneth E. Bentsen, Jr., president and CEO of SIFMA.

The roundtable emphasized the role of America’s capital markets in enabling programs to improve local outcomes and help communities combat the challenges of long-standing problems such as poverty, pollution, and other social needs. The roundtable also provided an update on recent projects, results, and trends, as well as an outlook for the sector.

Participants discussed Social Finance’s Pay for Success Programs, such as the [Nurse-Family Partnership](#) in South Carolina and the Connecticut [Family Stability Project](#); and Morgan Stanley’s underwriting work for [Sustainable Neighborhood Bond](#), which funds affordable housing in New York, and its [Investing with Impact Platform](#) and [Sustainable Investing Portfolios](#), which allow investors of all sizes to invest with impact, making scale in the social finance market possible.

Audrey Choi spoke to how social finance is not only good for communities but can be profitable, among other examples citing a new [gender diversity investment framework](#) from Morgan Stanley’s Sustainable + Responsible Investment (SRI) and Global Quantitative Research teams which recognizes that companies with greater gender diversity can have improved performance. Stephen Freedman discussed UBS-commissioned report by CIO Wealth Management Research, [“On the Road to Parity: Gender lens investing.”](#)

Social impact investing is the investment of funds to opportunities or companies that have desirable environmental, governance or social factors, and is related to social finance. This involves the use of financial assets or instruments to fund projects that have a positive social or environmental impact.

While the idea of social impact investing started in the mid-1960s, it has traditionally represented a relatively small part of the market. However, from 2012-2014, U.S. based socially responsible assets

under management almost doubled, from \$3.74 trillion to \$6.57 trillion. In addition, estimates project that social impact investment opportunities could constitute a \$10 trillion market by 2050.

Social finance programs commonly include the issuance of social impact bonds, or the design of Pay for Success programs, which involve public-private partnerships between private investors and public sector entities to achieve socially beneficial outcomes.

SIFMA plans to host its next congressional roundtable on cybersecurity on June 9 at 1pm, followed by a Biotech roundtable on June 23.

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