

Master in Finance, Master in Insurance & Risk Management

## **Impact Investments**

Spring 2018

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### **Course goal:**

During the course we explain the emergence of impact investments, the current status and the future developments in this new area in Finance. It will entail a combination of lectures and workshops, perhaps coupled with a guest speaker on the subject.

### **Short introduction:**

Historically, investors looking to have a positive social impact have had a limited set of opportunities to do so while also earning a competitive return on their investment. In recent years, the emergence of impact investing has joined those twin ambitions by bringing market-based discipline to address some of society's most pressing problems.

Impact investing puts investor capital to work directly in organizations, companies or projects whose core mission is to generate financial return alongside a measurable social impact. This approach is a distinct category of Responsible Investment (RI), which also includes using environmental, social, and governance (ESG) criteria in investment decisions, ESG-focused funds, and active ownership. Individuals have been drawn to impact investing because it enables them to see how their money is having a direct and measurable impact through specific projects. By contrast, the effect of other RI categories tends to be indirect and, therefore, more difficult to measure. By harnessing market forces to meet social needs and generate returns, impact investing also addresses a key challenge of traditional philanthropy the reliance on temporary or limited grants and donations. While philanthropy remains essential for funding non-investable projects, impact investing expands the resources available for addressing environmental and social needs.

### **Topics that will be covered:**

- Core characteristics of impact investing
- What impact do these investments have?
- How do they perform financially?
- The current market landscape (size of the market, main players) and future developments
- Case studies

### **Course material:**

Syllabus, research papers and book references will be provided during the course, no prior preparation required.