Universität St.Gallen
Center for Financial Services Innovation

Impact Measurement Harmonization: Challenges and Opportunities

Micaela Ferreiro & Julian Kölbel
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Foreword

By Urs Wietlisbach

Impact investing is driven by a simple yet powerful idea: that return-focused capital can—and should—be a force for positive change. To make this idea a reality that is shared throughout capital markets, we need to mobilize much larger pools of institutional investors to deliver impact on a much greater scale

One of the persistent challenges in impact investing is how we measure impact. Without a shared foundation for measurement, it becomes harder for institutional investors to compare outcomes and allocate capital with confidence.

This report was born from a desire to better understand whether the lack of standardization in impact measurement is one of the barriers to wider adoption, and if so, what can be done about it. It brings a thoughtful and structured lens to a complex issue and reflects the kind of careful analysis we believe is essential to building trust and scale in the impact investing ecosystem.

What makes this contribution especially valuable is its focus on actionable insights. Rather than calling for another top-down solution, it highlights where meaningful progress is already happening and suggests practical steps to build on that momentum through coordination, collaboration, and clarity around what and how we measure.

Our belief is that with the right frameworks, credible data, and skilled professionals, institutional investors can pursue impact with the same level of discipline and professionalism that they apply to financial performance. This report is a step toward enabling that vision, and we hope it supports more effective and coordinated action across the field.

Urs Wietlisbach
Co-Founder, Partners Group & Blue Earth Capital
Chairman of Blue Earth Foundation

Authors

Micaela Ferreiro is a Ph.D. student in Finance at the University of St. Gallen and the Swiss Finance Institute, and a researcher at the Investor Impact Lab. She holds a Master's degree in Sustainable Finance from BI Norwegian Business School.

Julian Kölbel is assistant professor of sustainable finance at the University of St. Gallen, a member of the Swiss Finance Institute, and a research affiliate at MIT Sloan. He has established the Investor Impact Lab, a research group dedicated to studying the mechanisms by which investors can have a positive impact on the economy, the environment, and society. It is housed within the Center for Financial Services Innovation at the University of St. Gallen.

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1 Executive Summary

This report examines the current landscape of impact measurement in impact investing, with a focus on the challenges and opportunities for harmonizing existing practices. As the impact investing space expands, inconsistent measurement approaches threaten the space's scalability and credibility. The analysis explores conceptually the trade-offs between impact measurement harmonization and flexibility and compares five key public impact measurement resources (IRIS+, HIPSO, SDG Indicators, JII, and IFVI-VBA Topic and Industry-Specific Methodologies).

Two key challenges emerge. First, developers of measurement resources cater to their main audience (e.g., Development Finance Institutions (DFIs), investors, and governments) and are driven by diverse motivations (e.g., from tracking SDG progress to promoting harmonization), resulting in differing impact measurement approaches. Second, organizational impacts are highly context-specific, affecting the choice of metrics, incentivizing the use of proprietary metrics, and influencing the feasibility of *what* is measurable.

Regarding opportunities, the analysis finds that promising harmonization efforts are underway. Several impact measurement resources have measurement harmonization as their motivation, and collaborative efforts between resources and key organizations are encouraging developments. Additionally, there are certain areas of overlap between existing resources that could be leveraged to increase alignment.

Based on these insights, the report proposes six recommendations around bottom-up alignment, fostering organizational collaboration, and ecosystem-wide norms and technologies.

1. **Converging on core metrics** based on commonly used and agreed-upon metrics.
2. **Converging on key sector-specific material issues** to agree on *what* to measure before *how*.
3. **Coordinating efforts on new metrics' development** to avoid duplication and dispersion from inception.
4. **Mapping between impact measurement resources,** where possible, and particularly towards SDG targets.
5. **Harmonizing the structure of impact reporting** to harmonize how metrics are chosen and contextualized.
6. **Leveraging AI tools** to support contextual interpretation and act as a harmonizing layer.

The report concludes that thoughtful harmonization anchored in existing practice, driven by collaboration, and mindful of contextual differences can unlock the full potential of impact investing as a catalyst for sustainable development.

2 Introduction

This report explores the potential of harmonizing impact measurement across resources and organizations. This current section 2 defines impact measurement and presents the opportunities and challenges related to harmonization. Section 3 describes the methodological approach of the report. Section 4 presents an overview of the key identified impact measurement resources and the organizations behind them. Section 5 provides a detailed comparative analysis of these key impact measurement resources. Section 6 highlights strategic opportunities to drive the harmonization of impact measurement approaches in the future.

2.1 Defining Impact Measurement

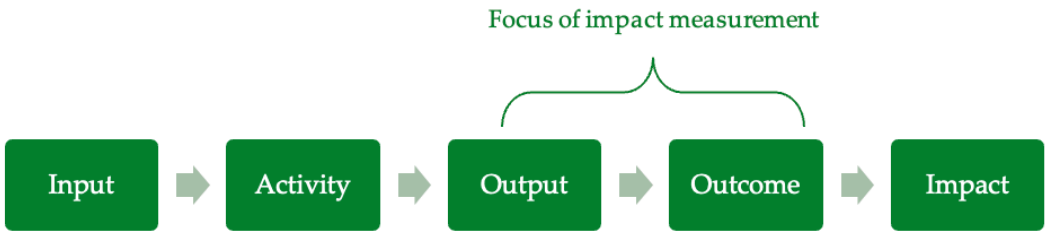
Impact refers to a change in a parameter of interest caused by an activity. Parameters of interest are, for example, any of the Sustainable Development Goals. Impacts come in many forms: they can be direct or indirect, positive or negative, intended or unintended, immediate or delayed. However, in every case, impacts are statements about cause-and-effect relationships that connect an activity to a parameter of interest.

The impact pathway, depicted in Figure 1, is a widely used framework for analyzing impact. It breaks down the causal chain into more manageable, intermediate steps. An input generates activity that produces outputs. These outputs cause changes in outcomes, which ultimately result in impact.

With the rise of impact investing and sustainability concerns, organizations face growing pressure to manage and demonstrate their impacts. To this end, various frameworks have been developed to support organizations in the design and implementation of their impact management processes. One of the central elements in impact management is impact measurement.

Impact measurement is the process of (1) selecting appropriate impact metrics and (2) collecting the related data to quantify an organization's impact. Impact metrics quantify the different steps of the impact pathway, although most often they refer to outputs or outcomes.

Figure 1: Link Between the Impact Pathway and Impact Measurement.



To illustrate, let us consider a schooling project aiming to increase the rate of youth employment in a specific location. Having identified poor schooling resources (e.g., a shortage of qualified teachers and limited access to reading materials) and low attendance rates (often linked to poor school quality) as key drivers of low youth employment (primarily due to a lack of basic literacy skills) the impact pathway of this illustrative project might look as follows:

Figure 2: Impact Pathway of the Illustrative Schooling Project.

Initially, the project focuses its efforts on attracting qualified teachers and providing quality reading materials to students (inputs). These inputs are then used to conduct the main activity of the project, i.e., the teaching of reading and writing. The improvement in the quality of education is likely to increase the school attendance rate of students (output). More students attending school has the potential to increase literacy rates (outcome), which contributes to the overall impact of increasing the local rate of youth employment (impact).

One of the inherent challenges of impact measurement is that the most meaningful impacts are often the most difficult to quantify. For instance, it is relatively straightforward to measure the output *increase in school attendance*; it is harder to measure the outcome *increase in literacy rates*, and it is even harder to measure the ultimate impact goal to *increase youth employment*.

This necessitates a pragmatic approach to selecting metrics that strike a balance between relevance and practicality. Perfect impact measurement would be prohibitively costly. Superficial impact measurement erodes credibility. A central way in which impact measurement is informed is therefore the definition of appropriate impact metrics (also called indicators) and the development of impact measurement resources. Those impact measurement resources are at the core of this report.

2.2 Impact Measurement Harmonization: Benefits and Trade-Offs

The Global Impact Investing Network (GIIN) estimates that as of 2024, the assets under management (AUM) of Impact Investing reached USD 1.571 trillion (Ulanow, Hand, Pan, & Xiao, 2024), reflecting the significant growth of the space in recent years.

Still, the further development of impact investing will require the tackling of specific challenges faced by the impact investing community, particularly concerning the comparability of impact measurement practices. These challenges emerge from organizational fragmentation, as different organizations use different impact management frameworks that conceptualize and approach impact measurement differently.

The motivation for solving these challenges is threefold. Firstly, an investor's ability to compare the impact of different endeavors is hindered by the use of varying impact measurement practices. Asset owners typically delegate the management of their investments to asset managers, often distributing the responsibility among multiple managers. If these managers communicate the impact of similar projects using different metrics, asset owners will struggle to compare the impact generated by the different projects.

Let us expand on the illustrative schooling project aiming to increase youth literacy rates, defining now two equivalent projects in two different locations. The first project uses *increase in literacy rates* as its impact metric, while the second uses *increase in school attendance*. Although a correlation exists between the metrics, they are not a direct translation from one another. Thus, the asset owner receiving these two metrics will need to assess on his or her own which project is more effective in delivering the objective of increasing youth employment rates. This added subjectivity removes clarity from the impact investing process.

Secondly, impact investing is unlikely to gain mainstream adoption among large institutional investors without a harmonized way to communicate impact to regulators and the public. A survey covering 1,593 organizations deploying an impact investing strategy had pension funds as the largest asset owner of impact investing assets under management (AUM), with 29% of ownership (Ulanow, Hand, Pan, & Xiao, 2024, p. 6). However, pension funds only represented 14% of all impact investing organizations (2024, p. 6). Similarly, insurance companies and banks together represented 37% of ownership but only 8% of all investors in the space (2024, p. 6).

A common way to communicate impact may help to increase the representation of these institutional investors in the impact investing space, partly because it would facilitate compliance with regulatory bodies. For example, regulators in South Africa, Kenya, and Nigeria have "aligned guidance for pension fund allocations to national development priorities such as affordable housing, vital infrastructure, economic growth, and job creation." (2024, p. 8). Therefore, these pension funds need a clear way to communicate the alignment of their impact investments to regulators and society, both in absolute and relative terms. The same argument holds for other types of institutional investors.

Thirdly, the harmonization of impact measurement is likely to attract new investors into the space. The current subjectivity needed to compare similar impact projects generates uncertainty about

the projects' impact. This may cause investors to (1) see impact investing as an unreliable endeavor, and (2) prefer supporting alternative initiatives to fulfill their impact aspirations (e.g., donations to NGOs). Clear and consistent measurement practices will help reduce uncertainty, making the venture more attractive to investors who were previously deterred.

These three motivations argue in favor of harmonization in impact measurement. Increasing objectivity, facilitating communication and compliance, and diminishing uncertainty can bring clarity and structure to the impact investing space. In turn, this clarity and structure can increase the capital flows from the public and private sectors toward impact-relative initiatives.

Naturally, there are also arguments in favor of keeping impact measurement flexible. Firstly, impact investments often involve field projects or start-up (private equity) investments that are very diverse in scope. Thus, their potential impacts also vary widely. Maintaining flexibility in impact measurement allows managers to capture these idiosyncrasies and thus better reflect specific project attributes.

Secondly, impact investments aiming for similar goals can have different contexts that impede the use of certain impact metrics. Let us revisit the example of the two schooling projects aimed at increasing youth employment rates in two different locations. The outcome *increase in literacy rates* describes the improvement of a valuable working skill, making it a sound impact metric to measure progress towards the project's goal. Nevertheless, this metric might not be available in all locations, as assessing literacy rates is resource-intensive, requiring trained personnel to perform the assessment. The output *increase in school attendance* might be easier to collect, and, although it has a relatively weaker link to improvements in youth employment rates, may be argued to be a reasonable proxy in the absence of the outcome metric.

Thus, a manager measuring the impact of the project developed in a location with access to literacy rate data will generally opt for the first metric. Meanwhile, the opposite is true for a manager who has a similar project but does not have access to literacy data. Still, both managers can capture (with different degrees of success) the impact potential that their projects have in increasing youth employment rates, which they will now be able to communicate to the investors of the project.

These two arguments demonstrate that flexibility in impact measurement is also desirable. Therefore, addressing the challenges of harmonization requires considering the trade-offs between harmonization and flexibility to find an equilibrium that enables the growth and development of impact investing.

2.3 Methodological Divergence in Impact Measurement

Numerous frameworks and metric catalogs exist for investors to measure, assess, and value the impact of their endeavors. While all these frameworks and catalogs aim to support users in their impact investing process, they contribute to the challenge of organizational fragmentation and promote methodological divergence in impact measurement.

This contribution is made either directly or indirectly. Impact metric catalogs can directly contribute to de-harmonization by creating new metrics for certain types of impacts, competing with other existing impact metric catalogs. Meanwhile, many impact management frameworks can indirectly support fragmentation by giving users broad freedom to define their measuring practices. This freedom can take the form of 1) free choice among existing impact metric catalogs and 2) the freedom to develop additional proprietary metrics.

Let us illustrate the problem using proprietary metrics. Of the 305 impact investors surveyed in 2023 by GIIN, 70% stated using "generally accepted impact metrics, rating systems, indices or analytical tools" (Hand, Sunderji, Remsberg, & Xiao, 2024, p. 41). However, 64% of respondents also stated using "our specific impact targets", referring to proprietary metrics (2024, p. 41). Because proprietary metrics are specific to managers, asset owners holding similar investments with different managers will receive communication about the impact of their investments in various ways. By assessing impact through metrics that diverge in their methodological base and motivation (e.g., different guiding principles), the comparability of different impact investments is compromised.

The use of proprietary metrics, however, offers asset managers flexibility in their measurement process. As previously discussed, this flexibility allows managers to capture the specific impacts of an endeavor and to adapt to the context of different projects. In some cases, the use of proprietary metrics might be more informative than commonly used, general metrics. They may also represent the best alternative to a commonly used metric that cannot be computed due to a lack of data, for example.

This last argument focuses on proprietary metrics developed by organizations for their particular use. However, there is another dimension of proprietary metrics, i.e., the metrics created by private companies that offered impact measurement or management services to third parties. Besides adding to organizational fragmentation, the general lack of transparency around these companies' methodologies hinders comparability. In other words, the lack of transparency of the private market for impact measurement is another important challenge in the impact investing space.

As explained, methodological divergence has disadvantages that motivate further harmonization. Determining the extent and feasibility of this harmonization, nevertheless, requires deeper study.

3 Methodological Approach

The insights of this report are based on two primary sources. First, a systematic review focused on exploring the public impact measurement space. Second, expert interviews with representatives from key organizations.

The systematic review focused on exploring the public impact measurement space, mainly using online research. This exploration informed the analysis of the trade-offs between impact measurement flexibility and harmonization, and also guided the identification of the key organizations and resources described in the report. In-depth research was then performed on these key organizations and resources, and the findings were integrated with the prior trade-off analysis to develop hypotheses on the potential directions of impact measurement harmonization.

The interviews were used to get clarification and validation of initial hypotheses. In total, we conducted seven interviews with representatives of most of the identified organizations in section 4.3 and other organizations related to impact investing. Although specific questions varied according to the organization's role in the space, all interviews revolved around the following guiding questions:

- What is the main challenge towards the harmonization of impact measurement?
- What explains the existence of different impact measurement resources?
- How are existing organizations responding to the idea of harmonization?
- Why is flexibility desirable, and to what degree?
- What opportunities are available in terms of harmonization?

4 Impact Measurement Landscape

This section highlights the resources and related organizations in the impact measurement space that are relevant to this report. A description of the selection criteria will open the section, followed by summaries of the key impact measurement resources and organizations.

4.1 Selection Criteria

To identify the relevant resources and organizations for this report, five selection criteria (summarized in Table 1) were applied, covering participation breadth, focus on impact materiality, investor relevance, impact multidimensionality, and global reach. These criteria ensure that the analysis concentrates on the most influential, broadly used, and investment-relevant impact measurement resources.

Table 1: Selection Criteria.

Criteria	Description
Large Participation	The organizations either (A) have numerous members, partners, or signatories, or (B) represent a coalition comprising other relevant organizations in the impact investing space.
Impact Measurement Focus	The resources follow an impact materiality rationale, i.e., they try to measure an organization's effect on people and the environment.
Investor Focused	The resources are catered to asset owners, asset managers, and investment managers, either directly or by being adaptable.
Multidimensional Impact	The resources consider different dimensions of impact simultaneously.
Global Reach	The organizations' work is not limited to a specific geographical region.

Large Participation

This criterion specifically filters for organizations that have the most engagement and, thus, for organizations that significantly contribute to shaping and developing the impact investing space. The meaning of *large* depends on the sort of membership. For example, an organization that exclusively admits Development Finance Institutions (DFIs) is given a lower membership threshold compared to an organization that is open to all types of investors, as the former has fewer potential members.

Impact Measurement Focused

This criterion specifically excludes organizations that assess sustainability topics primarily through a financial materiality lens, common in ESG performance measurements (e.g., *SASB materiality assessment* and *Sustainalytics ESG scores).* This is because financial materiality considers how environmental and social (E&S) topics affect the organization, whereas impact materiality has the opposite perspective.

Investor Focused

This criterion filters out impact measurement resources made specifically for companies. Companies can make their internal impact assessments (potentially using publicly available resources) or obtain a third-party certification on their impact performance (e.g., *B Impact Assessment* from *B Lab*).

Nevertheless, certain resources that were not initially created for investors can be adapted to be used by them in their endeavors. However, they should be applicable across asset classes, especially Private Equity (PE), which is widely regarded as the leading asset class in impact investing. As long as they fit the remaining criteria, these resources will be considered in this report.

Multidimensional Approach to Impact

This criterion specifically filters for impact measurement resources that focus on a specific impact area (e.g., produce only carbon emission metrics). This filter is necessary to reduce the universe of resources contemplated in this report. However, this necessity does not undermine the value of the expertise offered by resources and organizations specializing in specific impacts. Resources focused on multidimensional impacts are likely to reference the work of those with specialized expertise. (e.g., metrics by the *Greenhouse Gas (GHG) Protocol*).

Global Reach

This criterion specifically excludes organizations that operate within limited geographic scopes. Many organizations, particularly Multilateral Development Banks (MDBs) and DFIs, focus their impact efforts on specific regions. However, they often collaborate through global initiatives, such as the creation of HIPSO or the Finance in Common Initiative, which foster public-private cooperation. Therefore, this report examines global coalitions and collaborations among these regional actors, as such alliances consolidate and amplify the efforts of individual organizations.

4.2 Key Impact Measurement Resources

Table 2 presents the key public impact measurement resources identified in this report, with detailed portraits of each resource available in the appendix. These resources are broadly used by investors to measure the effects of their investments on people and the planet, serving as a base for their impact measurement practices. The content of the table is informed by the resources' public documentation and interviews, but ultimately remains the author's interpretation.

The *IRIS+ System*, developed by the Global Impact Investing Network (GIIN), is one of the most widely accepted systems for impact investors. Its Catalog of Metrics offers 744 metrics across 17 impact categories, integrating practical guidance, SDG mappings, and alignment with over 50 standard-setting bodies. Besides this extensive catalog, the *IRIS+ Core Metric Sets* offers investors a short list of key metric groupings to aid in their impact measurement practice.

The *Harmonized Indicators for Private Sector Operations (HIPSO)*, launched in 2013 by a coalition of DFIs, focuses on harmonizing the output-level metrics used by DFIs tracking their development outcomes. The catalog currently includes 150+ metrics covering 21 industry and sector categories and themes. While HIPSO's governance structure requires consistency among signatories tracking development outcomes, the metrics are open and flexible enough to be adopted by non-DFI actors. HIPSO also collaborates with IRIS+ through the JII.

The *Sustainable Development Goal (SDG) Indicators*, introduced by the United Nations (UN) in 2017 as part of the *2030 Agenda on Sustainable Development*, provide a global framework of 251 metrics across 169 targets and 17 goals. While designed for national-level reporting, many of the metrics can be adapted by impact investors to track contributions toward the SDGs. Their widespread use and alignment with other metric catalogs make them a foundational reference point for sustainable development and impact investing.

The *Joint Impact Indicators (JII)* initiative, started in 2021, is a collaborative effort between GIIN and HIPSO to foster cross-catalog compatibility. It maps selected IRIS+ metrics to HIPSO metrics in key themes like *Climate, Gender,* and *Jobs*. The JII is supported by GIIN, HIPSO, and numerous *Operating Principles of Impact Management (OPIM)* signatories (OPIM, 2021), and it reflects a growing convergence around a core set of metrics for consistent reporting.

Finally, the *Topic and Industry-Specific Methodologies* developed by the International Foundation for Valuing Impacts (IFVI) in collaboration with Value Balancing Alliance (VBA) extend the practice of impact measurement to *Impact Accounting*, which converts sustainability information into monetary terms (IFVI, 2025). These Methodologies are based on IFVI-VBA's *General Methodologies* and establish specific impact pathways to connect the selected metrics with impacts on specific topics or industries. The Methodologies later define mathematical relationships to compute the

monetized value of a specific impact. Currently, there is one finalized Topic and Industry-Specific Methodology, i.e., the *Greenhouse Gas (GHG) Emissions Topic Methodology*.

Table 2: Summary of Key Impact Measurement Resources (Ordered by Year of Establishment).

Resource Name	Resource Type	Organization	Year of Establishment	Purpose and Target Audience	Scope	Flexibility of Use	Collaboration and Alignment
IRIS+	Metric Catalog	GIIN	2009 (IRIS Catalog of metrics)	Harmonization of impact metrics for impact investors	17 categories; 744 indicators; Mix of outputs and outcomes	Fully flexible	50+ standard bodies, including HIPSO, GRI, JII, Impact management Platform
Harmonized Indicators for Private Sector Operations (HIPSO)	Metric Catalog	HIPSO	2013	Harmonization of impact metrics for DFIs	21 categories (including thematic areas); 150+ indicators; output-oriented	Fully flexible (for non-members)	IRIS+, OPIM, JII, IFC, EDFI, 2XChallenge
SDG indicators	Metric Catalog	UN	2017	SDGs attainment for UN member states	17 categories (goals); 251 indicators; outcome oriented	Mildly restrictive	IRIS+, HIPSO, GRI, Impact Management Platform
Joint Impact Indicators (JII)	Metric Catalog	HIPSO & GIIN	2021	Cross-catalog comparability between impact investors & DFIs	3 categories; map 27 IRIS+ metrics to 18 HIPSO indicators; output oriented	Fully flexible	IRIS+, and HIPSO, OPIM
Topic and Industry-Specific Methodologies	Thematic Methodologies (with integrated metric catalogs)	IFVI & VBA	2024 (General Methodology 1)	Impact accounting for companies and investors	1 category with 4 indicators (currently); output oriented	Restrictive	ISSB, GRI, EFRAG, Impact Management Platform

4.3 Key Organizations

The resources shown in Table 2 are developed and maintained by a small group of influential organizations, i.e., the *United Nations (UN)*, the *Global Impact Investing Network (GIIN)*, the *Harmonized Indicators for Private Sector Operations (HIPSO)*, the *Value Balancing Alliance (VBA)* and the *International Foundation for Valuing Impacts (IFVI).* Because of their resource's contribution, these organizations play an important role in shaping the current impact measurement and, most broadly, the impact investing space. As reflected in the table, some of these organizations collaborate closely: for example, GIIN and HIPSO jointly developed the JII to improve compatibility between their respective metric catalogs, while IFVI and VBA partnered to create the Topic and Industry Specific Methodologies.

Beyond these providers of impact measurement resources, the broader Impact Management and Measurement (IMM) ecosystem includes key organizations that, although not directly offering measurement tools, significantly shape how impact is defined and applied. While this report focuses on impact measurement, it recognizes the influence of these broader actors in shaping the field and advancing potential harmonization efforts.

These organizations include platforms and initiatives such as the *Operating Principles for Impact Management (OPIM)*, *Impact Frontiers*, and the *Impact Management Platform*. Their work on principles, norms, and guidelines complements and often guides the development and application of the impact measurement resources described above.

Many of these organizations are interlinked. For instance, GIIN hosts the secretariat of OPIM, and both Impact Frontiers and the Impact Management Platform emerged from the now-concluded *Impact Management Project (IMP)*, i.e., a global, time-limited forum that operated from 2016 to 2021, aimed at building consensus on how to measure, assess, and report impacts on people and the environment.

Taken together, these resources and the organizations behind them are identified as part of the core infrastructure of the impact investing space. Table 3[1] summarizes the main characteristics of all the organizations mentioned, and brief portraits of each organization are provided in the appendix of the report.

[1] The content of the table is informed by the resources' public documentation but for the AUM of HIPSO, found in the OECD report *Towards harmonised management and measurement of impact: The experience of development finance institutions* (Boiardi & Stout, 2021). If the field is not pertinent to the organization, "N.A." (i.e., not applicable) is disclosed. If no related information was found, "N.F." (i.e., not found) is disclosed. The year of the data is shown in parenthesis.

Table 3: Summary of Key Organizations (Ordered by Year of Establishment).

Name	Participation Numbers	Participation Type	AUM (if Available)	Year of Establishment	Name of Resource	Resource Type
United Nations (UN)	193 members (2025)	Member states	N.A	1945 by 50 member states (Charter signatories).	Sustainable Development Goals (SDG) indicators	Metric Catalog
Global Impact Investing Network (GIIN)	423 members (2025)	Investors; Service Providers.	N.F.	2009 by The Rockefeller Foundation, Acumen & B Lab	IRIS+ & Joint Impact Indicators (JII)	Metric Catalog
Harmonized Indicators for Private Sector Operations (HIPSO)	28 members (2025)	DFIs.	300 billion USD (2021)	2013 by 20 DFIs.	HIPSO & Joint Impact Indicators (JII)	Metric Catalog
Value Balancing Alliance (VBA)	25 members (2025)	Large international companies	N.F.	Founded in 2019 by 8 international companies	Topic and Industry-Specific Methodologies	Methodologies (with integrated metric catalogs)
Operating Principles for Impact Management (OPIM)	185 signatories (2025)	Investors; Banks; DFIs.	569 million USD (2025)	2019 by the IFC	The 9 Principles of Impact	Impact Management Principles
Impact Frontiers	348 participants in cohort program (2021-2024)	Investors; financial enterprises.	60 billion+ USD (2025)	2021 from IMP	Impact Management Norms	Impact Management Norms
Impact Management Platform	18 members	Relevant organizations in the impact investing space.	N.A.	2021 from IMP	Actions of Impact Management	Impact Management Guidelines
International Foundation for Valuing Impacts (IFVI)	N. A	Investors; Companies	N. A	2022, out of the Impact-Weighted Accounts Project (IWA)	Topic and Industry-Specific Methodologies	Methodologies (with integrated metric catalogs)

5 Comparative Analysis of Impact Measurement Resources

This section compares the impact measurement resources listed in Table 2 along the following themes: 1) Purpose and Target Audience, 2) Development Process, 3) Scope, 4) Flexibility of Use, and 5) Collaboration and Alignment.

5.1 Purpose and Target Audience

All the considered impact measurement resources were created to allow users to measure the impact of their endeavors on society and the environment. However, their purposes differ by their target audiences.

IRIS+ and HIPSO aim to harmonize the impact metrics used in impact investing and DFI investing, respectively. On one hand, the IRIS Catalogue of metrics (predecessor to IRIS+) aimed to tackle the lack of credible and consistent impact performance information that was hindering the progress of impact investing. On the other hand, HIPSO indicators were designed to reduce the reporting burden on shared DFI clients who were often required to use different metrics to report on the same project to multiple DFIs. These harmonization efforts were enhanced by the collaboration between HIPSO and GIIN (IRIS+) to produce the JII, which map certain HIPSO metrics to IRIS+ metrics, allowing DFIs and impact investors to have a common language to communicate their impact performance.

Moreover, while the development process of IFVI-VBA Methodologies promotes the harmonization of impact metrics, the IFVI-VBA partnership focuses on developing methodologies that allow companies and investors to quantify the impact of their activities in monetary terms, providing an opportunity to integrate these valued impacts into broader financial considerations.

Lastly, the SDG indicators were specifically created to measure the progress towards the attainment of the SDGs, informing users (primarily member states) on how to pursue their measurement practice. By construction, these SDG indicators harmonize the measurement towards the SDGs, since they provide users with clear recommended metrics to be used and reported on.

5.2 Development Process

The resources created by most membership-based organizations (i.e., IRIS+, HIPSO, and SDG indicators) are developed through a process that includes a subgroup of all their members. These subgroups offer a practical perspective by discussing and recommending impact metrics that seem appropriate for specific themes and sectors, according to their experience. Nevertheless, the subgroups are typically supported by external experts in these themes and sectors, contributing both theoretical insights and practical, domain-specific knowledge. The final indicators are generally subject to approval from a higher status group or committee, i.e., the Working Group in the case of HIPSO, the UN General Assembly in the case of the SDG indicators, and the IRIS+ Advisory Committee in the case of IRIS+.

The IFVI-VBA partnership follows a similar process, with its Valuation Technical & Practitioner Committee (VTPC) responsible for approving the final Methodologies. However, the Methodologies are prepared by the IFVI-VBA research group, combining in-house research with expert consultations and insights from other stakeholders and proprietary impact data providers. Notably, the selection of metrics contemplates existing impact measurement resources and common impact investing practices.

Those development processes illustrate that there are different approaches to developing impact metric catalogs. One is a more consensus-based approach that takes on board a wide range of opinions. The other is a more research-based approach that stands on scientific evidence. Both approaches can ultimately yield widely accepted impact metrics, but they follow different paths.

5.3 Scope

The scope of the impact measurement resources tends to vary according to the resources' lifespans, with the oldest resources covering more impact areas and proposing more impact metrics vis-à-vis the newest ones. Besides this difference in breadth, the scope of the considered resources can be analyzed in terms of topical overlap, metric overlap, and data type (output vs. outcome orientation). These three aspects are discussed next.

Topical Overlap

Although the analyzed resources diverge in the precise labels of their impact categories, they tend to base this categorization on established sector definitions or common impact themes. This orientation towards a common set of categories creates a topical overlap. For example, IRIS+ and HIPSO share seven categorical labels, including *Agriculture*, *Education*, and *Health*. Relatedly, JII

uses the thematic labels *Gender*, *Jobs*, and *Climate*, which overlap HIPSO's *Gender*, *Jobs*, and *Climate* thematic areas.

Metric Overlap

The impact metrics of some resources also show a high degree of overlap. For example, JII metrics have a complete overlap with IRIS+ and HIPSO impact metrics by construction. Similarly, the IFVI-VBA GHG Emissions Topic Methodology is composed of 4 metrics (i.e., Scope 1-3 emissions) also considered in the IRIS+ and HIPSO catalogs (metrics *Greenhouse Gas Emissions scope – OI5732* and GHG *Emissions – TA11*, respectively).

Furthermore, both IRIS+ and HIPSO[2] map their metrics to the SDG targets. A similar association can be done between IFVI-VBA GHG metrics and the SDG indicators, although there is no specific mapping in place (e.g., SDG indicator *13.2.2 - Total greenhouse gas emissions per year* can be mapped to IFVI-VBA Scope 1-3 emission metrics).

Data Type (Output vs. Outcome Orientation)

An important difference in scope emerges along the distinction between outputs and outcomes. HIPSO, JII, and IFVI-VBA GHG Emission Topic Methodology metrics can be mainly described as output-oriented. Meanwhile, IRIS+ presents a mix of quantitative and qualitative outcomes and outputs, although outcome measurement is strongly incentivized as a key element in the IRIS+ Core Metric Sets (McCarthy, Emme, & Glasgo, 2019). Lastly, the SDG indicators are mostly quantitative and outcome-oriented.

The motivation for this choice of data type can vary. On one hand, the goal of HIPSO metrics is to increase efficiency by reducing the administrative burden of DFIs' clients. Comparability and relative ease of data collection might then motivate the choice of output-predominant metrics. SDG indicators are designed to track real-world changes in human well-being and environmental sustainability driven by the efforts of multiple actors. As a result, they focus primarily on outcomes.

[2] Visit this link to access HIPSO's SDGs dashboard.

5.4 Flexibility of Use

Membership obligations

The degree of flexibility in the use of each resource depends on the membership obligations associated with each organization. On one hand, IRIS+ is a voluntary standard, with GIIN members encouraged, but not required, to use the metrics when performing their impact measurement practices. The same approach applies to UN member states and SDG indicators. On the other hand, HIPSO DFIs members who want to track development results are required to use HIPSO indicators, while non-members can use the metrics at their discretion.

Design and Use intentions

Flexibility also varies based on how each resource was designed and intended to be used. Both IRIS+ and HIPSO impact metrics and indicators can be used for different project types and can be integrated into any impact management framework that allows the use of external metrics.

Meanwhile, SDG indicators offer slightly less flexibility, as they were designed to measure progress towards the SDGs specifically and to measure national or regional outcomes. Investors can still adapt these indicators to serve specific projects, especially if they are interested in tracking their contribution towards the SDGs. However, this adaptation requires additional work. Still, investors may use mappings from other metric catalogs towards SDGs to facilitate their tracking of the SDG targets and indicators.

Finally, IFVI-VBA Topic and Industry-Specific Methodologies offer the least flexibility, as their metrics are meant to be used along with their respective Methodology. An investor could only focus on the metrics they propose; however, the rationale behind the metric selection would be missed, potentially affecting the interpretation of the entire impact measurement practice. Additionally, this would ignore the monetization step offered by the Methodologies, which, as discussed, is the main motivation behind the resource's creation.

5.5 Collaboration and Alignment

The last column of Table 2 displays the collaborations and alignments held by the impact measurement resources, normally at an organizational level. These collaborations and alignments encompass those among the identified organizations and those involving external organizations beyond this report. Collaboration refers to coordination at the organizational level, while alignment describes technical synergies among the impact measurement resources.

Collaboration

Many of the organizations behind the identified impact measurement resources collaborate to different degrees. The JII initiative reflects the collaboration between HIPSO and GIIN, while GIIN and IFVI collaborate via their membership of the Impact Management Platform.

Additionally, each organization has external collaborations with other players in the impact investing and sustainability ecosystem. IFVI is closely coordinating its work with the International Sustainability Standards Board (ISSB), GRI, the European Financial Reporting Advisory Group (EFRAG), and VBA to achieve the common vision of establishing a globally accepted and comprehensive baseline for sustainability reporting (Kumar, Heller, & Zochowski, 2023). Relatedly, HIPSO has partnerships with OPIM, the International Finance Corporation (IFC), the Association of European Development Finance Institutions (EDFI), and 2XChallenge.

Alignment

The JII initiative represents the most explicit alignment in the space, serving as a bridge between the IRIS+ and HIPSO metric catalogs. Furthermore, the mapping of both resources to the SDG targets and indicators links them via a higher-order framework, providing another layer of topical alignment.

The directionality of alignment varies depending on the organizations involved. While the alignment between IRIS+ and HIPSO can be understood to be horizontal (the resources map towards each other), the alignments between any organization and the SDGs (i.e., SDG mapping) can be said to be vertical. This is because external organizations map or align to the SDGs, while the SDG indicators are not themselves mapped towards external impact measurement resources.

Lastly, similar to collaborations, external alignments are also pursued by the organizations behind the identified impact measurement resources. For example, IRIS+ currently has over 50 standard alignments in place (e.g., with the Global Reporting Initiative (GRI), which is also aligned with the SDG indicators).

5.6 Summary of Comparison

The comparison highlighted the existence of similarities and differences between the five identified impact measurement resources (i.e., IRIS+, HIPSO, SDG Indicators, JII, and IFVI-VBA Topic and Industry-Specific Methodologies). Overall, the purpose of each resource largely determines its characteristics, with resources focused on harmonization or cross-catalog comparability

exhibiting higher levels of flexibility and overlap with other resources. Furthermore, the target audience is a critical factor in the development of these resources, and, in conjunction with the resources' purpose, explains the data type orientation of the metrics included. Finally, the lifespan of the resource reasonably explains the breadth of each resource scope, and a clear hierarchical relationship was identified between all resources and the SDG targets & indicators. While originally devised for countries, the SDGs emerge as an overarching framework that all organizations seek alignment with.

6 Recommendations

This section provides six recommendations to drive harmonization based on a synthesis of the analysis and interviews. The first two build from the bottom up, identifying areas of existing alignment that can serve as a foundation for convergence. The next two emphasize the need for coordination and collaboration in shaping future harmonization. The final two take a broader, systemic view, proposing ecosystem-wide norms and emerging technologies that can enable harmonization at scale.

6.1 Converging on Core Metrics

The comparative analysis performed in section 5 revealed that, although the analyzed impact measurement resources present some overlap in terms of topical scope, they differ in the number of metrics and their main data type (outcomes vs outputs). These differences are particularly related to the main users of the resources (who participate in their development processes), along with the purpose of the resource. Since the impact investing space also comprises proprietary tools, the degree of divergence between all existing impact measurement resources is likely to be bigger and more complex than the one shown in the analysis of this report.

Nevertheless, certain core metrics are present in most metric catalogues. Thus, one of the low-hanging fruits is to establish the overlapping set of metrics that different impact measurement resources agree on, offering a promising starting point towards harmonization.

Thus, our first recommendation is the establishment of a minimum set of core metrics that act as the baseline for further harmonization. This set of core metrics would likely consist of the widely agreed-on and used metrics, with the agreement most likely covering output metrics with established impact pathways, i.e., outputs that are easy to measure and yet have a well-established relationship to outcomes. An example would be the use of Scope 1-3 emissions as a cross-sector pollution metric, with most impact measurement resources following the guidance of the Greenhouse Gas (GHG) Protocol.

We recognize that coordination efforts will be needed, and that perhaps there are only a few metrics where the overlaps between resources are complete. The exploration of overlaps might thus be a natural first step towards the development of the proposed core set of metrics.

Finally, this core set of metrics could be expanded to cover not only impact metrics for investors but also company impact metrics, as well as emerging regulatory standards. Given the link

between many ESG metrics and impact metrics, establishing common ground between impact and sustainability metrics offers another promising opportunity for expansion. This approach would help avoid siloed practices and foster integration into broader capital markets.

6.2 Converging on Key Sector-Specific Material Issues

In many cases, different impact measurement resources offer different metrics intended to measure or describe the same issue, but take different perspectives or measurement philosophies. As discussed in our illustrative example, different metrics could be used to measure the impact of a schooling project. Nonetheless, there may be agreement on the set of issues that is important or material in the education sector. One of the key observations is the relative lack of consensus regarding impact materiality at the sector and industry level.

Our recommendation is therefore to work towards a harmonized set of material issues in each sector. Put another way, before harmonizing how to measure, it is a promising idea to harmonize what to measure. The goal should be a minimum set of material issues that many organizations agree upon, rather than a maximum set that encompasses the entire space. Impact metric catalogues can always go beyond a common impact materiality matrix, but having a baseline impact materiality matrix will likely focus attention and aid harmonization.

6.3 Coordinating Efforts on New Metrics' Development

As soon as documents are written, catalogs are released, and processes have been set up, it becomes harder to change them and thus harder to harmonize. A natural place to seek harmonization is therefore when new metrics are created.

Our recommendation is thus to coordinate future efforts on metrics development to align *upcoming* impact metrics from inception. This is already ongoing. For example, the Impact Management Platform helps its members who work on similar topics to coordinate their efforts. It also suits well with the fact that impact metrics are domain-specific and thus benefit from including stakeholders with domain expertise. An important task is to set the agenda by determining which issues or themes have the appropriate amount of attention and maturity to be considered suitable for such collaborative efforts. For example, biodiversity could be a topic of current priority, whereas AI safety is still in a highly explorative phase.

The scaling of these exchanges might benefit the impact investing space, especially as new impact areas are recognized, motivating organizations to map their metrics accordingly and simultaneously. Besides, these exchanges are likely to result in the sharing of best practices and experiences,

which might create synergies and thus, more harmonization, between the organizations' approach to impact measurement.

6.4 Mapping Between Impact Measurement Resources

As described in section 5, the JII reflect a successful mapping approach between two different impact measurement resources that were determined to increase harmonization beyond their main targeted audience. This sort of initiative has the benefit of providing investors with a technical guide from which they can compare similar projects that use either of the mapped resources. Seeing more of such efforts would certainly be helpful.

However, metrics of different resources vary following each organization's understanding of materiality, along with the organization's overall philosophy. Thus, mapping can result in an oversimplification that links impact metrics, yet disregards the essence of the differences between the metrics. Consequently, we recommend mapping where the methodological approach towards the metrics is similar, but we would not recommend extending the practice to all and between all impact measurement resources.

One mapping effort that stands apart is mapping towards the SDG framework. Already, most resources and their users tend to map their metrics towards the SDG targets, which is a practice to build on. Mapping impact measurements towards the SDG framework makes sense, as most impact investors are interested in contributing towards the goals' advancements, and the objectives and philosophies behind the SDGs are widely shared. An opportunity lies in moving from a simplistic practice of purely topical mapping towards a framework that estimates the contribution to concrete SDG indicators. For example, rather than stating that investments in schooling contribute to SDG 4 (Quality Education), the ambition should be to demonstrate how a project's outputs contribute to SDG target 4.6 of universal literacy and numeracy.

In sum, mapping is a promising approach to achieve harmonization, but one should proceed cautiously as mapping inherently glosses over some differences. Mapping towards a higher-order framework, such as the SDGs, is already common and offers scaling opportunities.

6.5 Harmonizing the Structure of Impact Reporting

Impact measurement is a precursor to impact reporting. Harmonization is perhaps most urgently needed in the context of impact reporting, because impact reports are the basis on which investments are evaluated. Reporting is also the information pipeline through which impacts are

aggregated from individual organizations to funds and passed on to clients or other stakeholders. Harmonization of impact measurement would be enormously useful for such impact reporting.

However, there are other elements of impact reporting beyond impact metrics that may benefit from harmonization. Impact reports are currently very open in their format, which leads to a high degree of diversity in the elements that are included and also contributes to the difficulties of comparing and aggregating. One of the key issues is that an organization's impact is always contextual, so an informative impact report needs to provide context on the organization and its field of operation. It is also important that a report justifies which impact metrics have been selected and explains how they have been measured.

Therefore, our recommendation is to harmonize how impact is reported to stakeholders. Some activity in this regard is underway, such as the *Impact Performance Reporting Norms* that are currently being developed by Impact Frontiers. Such norms can have a powerful meta-effect on harmonization in the field. For example, agreeing on a norm to use a recognized metric whenever possible can go a long way to shape reporting in practice. Similarly, a norm to prefer outcomes over outputs whenever possible is likely to enhance reports. A formalized way to account for context may also discourage the use of proprietary metrics and instead use standard metrics and contextualize them.

Norms like those described above act less on the impact measurement resources at the center of this report, but on their users instead. Ultimately, harmonization must be practiced by organizations, firms, investment funds, etc. For this reason, developing shared norms around what an impact report should look like may be an important element to achieve harmonization in practice.

6.6 Leveraging AI to Support Contextual Interpretation

As a final, and more explorative recommendation, we think impact measurement is a space where artificial intelligence (AI) could play a role. One of the key challenges in harmonizing impact measurement lies in the inherent tension between standardization and context-specific relevance. While harmonized metrics facilitate comparability, the impacts of many projects are highly contextual. As a result, organizations often develop proprietary metrics that more accurately reflect the specific nature of their interventions. Alternatively, they may use standardized metrics, but provide qualitative information on the context that is essential to their interpretation. This leads to a situation where meaningful comparisons across investments are possible, but only through time-consuming, qualitative interpretation that is difficult to scale or aggregate.

An emerging research avenue lies in the application of AI to this challenge. With appropriate training, AI systems could assess proprietary or context-specific metrics and reports by

interpreting them within their respective settings, cross-referencing benchmark cases, scientific literature, and existing measurement practices to generate structured, principle-aligned evaluations. This would allow comparisons across diverse investments without requiring strict standardization at the level of individual metrics.

Such systems could potentially act as a harmonizing layer that enables flexibility in measurement while achieving comparability in evaluation. Notably, early-stage efforts in this direction are already underway. For example, the Finnish startup Upright is developing AI-based tools that assess the net impact of companies using natural language processing and scientific databases.

We recommend that stakeholders in the impact measurement ecosystem explore the development and validation of AI-based tools to support harmonization. While such tools are not a substitute for expert judgment, they could dramatically reduce the cost and complexity of cross-project impact assessment, thereby facilitating greater alignment and transparency across the field.

7 Conclusion

The growing scale and sophistication of impact investing make it increasingly important to resolve the persistent tension between the need for harmonized measurement and the value of contextual flexibility. This report has mapped the current landscape of public impact measurement resources, highlighted areas of convergence and divergence, and proposed practical steps toward greater alignment, ranging from core sector-specific metrics to the use of emerging technologies like AI.

One of the key takeaways is the insight that impact measurement resources cater to their target audience. A push for harmonization should therefore be supported by those target audiences. There is already significant effort underway to convene and collaborate, with the JII developed by HIPSO and GIIN as an example of what is possible. The SDG framework stands out as a de facto overarching framework towards which most impact measurement resources gravitate. However, as it has been devised for countries, there remains a gap to bridge between organizational impacts and societal goals and indicators.

Based on the analysis of the current situation and the interviews, this report makes six recommendations to further support efforts for harmonization. The first two build from the bottom up, identifying existing areas of alignment, such as widely used core metrics and shared material issues within sectors, that can serve as a foundation for convergence. The next two emphasize the importance of coordination and collaboration, particularly in the development of new metrics and in mapping across existing resources where appropriate. The final two take a broader perspective by proposing ecosystem-level enablers: the development of shared reporting norms and the exploration of AI tools to support contextual interpretation. These recommendations are complementary and interlinked, addressing both immediate opportunities and longer-term strategies for achieving greater consistency in impact measurement.

Ultimately, harmonization is not an end in itself, but a means to more effective capital allocation for positive impact. We hope this report will help catalyze a constructive dialogue and inform collective progress on this important frontier.

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Appendix

1 Portraits of Key Organizations

1.1. United Nations (UN)

The *United Nations (UN)* was founded on October 24, 1945, when the UN Charter was ratified by the five permanent members of the Security Council (China, France, the Soviet Union, the United Kingdom, and the United States) and a majority of the other 50 signatory states (UN, n.d.). Six principal organs of the UN were defined then, i.e., 1) The General Assembly, 2) The Security Council, 3) The Economic and Social Council, 4) The Secretariat, 5) The International Court of Justice, and 6) The Trusteeship Council.

Today, the United Nations has 193 members and serves as the central coordinator of the UN System. This system includes the UN itself, its programs and funds (such as UNDP and UNEP), and several specialized agencies (including the IMF and World Bank), each with its own leadership structure, budget, and specific mandate (UN, n.d.).

Sustainable Development has been one of the UN's main pursuits since 1992, when the Agenda 21 was adopted by more than 178 countries at the Earth Summit in Rio de Janeiro (UN, n.d.). Linked efforts include the adaptation of the Millennium Declaration and the related Millennium Development Goals (MDGs) in 2000, along with the adoption of the Johannesburg Declaration on Sustainable Development in 2002 (UN, n.d.).

In 2015, the UN General Assembly adopted the *2030 Agenda for Sustainable Development*, which "provides a shared blueprint for peace and prosperity for people and the planet, now and into the future" (UN, n.d.). Building on the MDGs, the Agenda includes the 17 Sustainable Development Goals (SDGs), a framework that is widely used in the impact investing environment.

1.2. The Global Impact Investing Network (GIIN)

The *Global Impact Investing Network (GIIN)* is "the global champion of impact investing, dedicated to increasing the scale and effectiveness of impact investing around the world" (GIIN, 2025). Founded in 2009 as an independent non-profit, the GIIN quickly emerged as the steward of the

IRIS Catalogue of Metrics, developed through a collaboration between the Rockefeller Foundation, Acumen, and B Lab (GIIN, 2025). It currently has over 370 members worldwide, distributed between asset managers, asset owners, and service providers (GIIN, 2025).

The GIIN performs different activities aimed at accelerating the development of a coherent impact investing industry. This includes the building of resources such as the IRIS+ System, which includes the IRIS+ Catalogue of Metrics[3], IRIS+ Core Metric Sets and IRIS+ Impact Performance Benchmarks. Furthermore, it contributes to the industry through research and education resources (e.g., webinars, workshops, etc.) (GIIN, 2025).

1.3. The Harmonized Indicators for Private Sector Operations (HIPSO)

The *Harmonized Indicators for Private Sector Operations (HIPSO)* resulted from a coalition of DFIs in 2013 (HIPSO, 2025). Although DFIs tend to invest in the same project (through co-financing or syndication), the lack of standardized reporting requirements created a burden for project managers who had to disclose the same project to different DFIs. To address this burden, 400 indicators were reviewed and narrowed to 28 indicators by HIPSO's Whole Group, i.e., a partnership composed of 28 DFIs (HIPSO, 2025). These 28 indicators were collected on the *Memorandum regarding IFIs Harmonized Development Results Indicators for Private Sector Investment Operations (MoU)* of October 2013, signed by the Whole Group. As of today, there are over 150 indicators available, with the Whole Group actively working on adding or improving the list of indicators (HIPSO, 2025).

1.4. Value Balancing Alliance (VBA)

The *Value Balancing Alliance (VBA)* has the vision to "redefine the essence of corporate value creation, where the success of a company is measured not only by its financial performance but also by its contributions to society, nature, and the economy." (VBA, 2025). It was founded in 2019 by 8 large international corporations (i.e., BASF, Bosch, Deutsche Bank, LafargeHolcim, Mitsubishi Chemicals, Novartis, Porsche-Volkswagen, SAP, and SK) as a non-profit aimed at establishing a standardized approach towards impact monetization (VBA, 2020; VBA, 2025). Today, it has 25 members in addition to strategic partners, associates, and other connections, and is working alongside IFVI in the development of the Impact Accounting Methodologies.

[3] IRIS Catalogue of Metrics was upgraded to IRIS+ Catalogue of metrics in 2019.

1.5. Operating Principles of Impact Management (OPIM)

The *Operating Principles of Impact Management (OPIM)* "provide a common framework for shaping and aligning with industry best practices and promote transparency, discipline, and credibility for impact management practice in capital markets" (OPIM, n.d.). It was developed by the International Finance Corporation (IFC) in consultation with other financial agents, including investors and DFIs, and formally adopted in 2019 by 60 global investors (Likhachova, 2019).

As of today, OPIM has 185 signatories, covers 40 countries, and represents over 569 million USD in assets (OPIM, n.d.). Since 2022, the Secretariat (one of the two pillars of OPIM's governance structure) is hosted by the GIIN (OPIM, n.d.).

The organization defines 9 principles that provide an end-to-end framework that investors can use to design, implement, and continuously improve their impact management processes. Notably, signatories commit to providing annual disclosure statements describing the alignment between the principles and their covered assets, which become public after verification (OPIM, n.d.). Besides, signatories should undergo periodic independent verification regarding their stated alignment (OPIM, n.d.).

1.6. Impact Frontiers

Impact Frontiers is a "learning and market-building collaboration for investors seeking to manage their social and environmental impacts and incorporate impact into investment decision-making." (Impact Frontiers, 2025). The collaboration emerged from the Impact Management Project (IMP) as the steward of the Impact Management Norms, which were informed by approximately 3 thousand practitioners (Impact Frontiers, 2025).

Through its cohort program, Impact Frontiers has helped over 140 institutions establish their impact management practice (Impact Frontiers, 2025). Additionally, Impact Frontiers aims to understand the current challenges faced by investors to assist in their resolution. For example, they launched the *Impact Performance Reporting Norms* in April 2024 to address existing gaps in the set of impact standards, frameworks, and guidance used by investors[4].

[4] Visit this link to learn more about the Impact Performance Reporting Norms by Impact Frontiers.

1.7. Impact Management Platform

The *Impact Management Platform* is a "collaboration between the leading providers of sustainability standards and guidance that are coordinating efforts to mainstream the practice of impact management." (Impact Management Platform, 2025). The platform was born out of the Impact Management Project (IMP) in 2021 and is comprised of 19 partners, with Capital Coalition (CC) and UN Environmental Programme Finance Initiative (UNEP FI) as co-chairs.

The objective of the platform is to identify opportunities to streamline existing sustainability resources, collaboratively address gaps, and align efforts with policymakers and regulators (Impact Management Platform, 2025). Additionally, the Platform aims to clarify the process of impact management through the provision of educational and reference materials. Relatedly, the Platform defined the *Actions of Impact Management* as the core components and steps of impact management and advice on external resources to manage those actions.

1.8. The International Foundation for Valuing Impacts (IFVI)

The *International Foundation for Valuing Impacts (IFVI)* was formally established in 2022 as a continuation of the *Impact-Weighted Accounts Project (IWA)*[5] developed by Harvard Business School (IFVI, 2025). Specifically, IFVI focuses on developing and scaling the practice of impact accounting, which "translates sustainability information into the language of currency to enable better decision-making" (IFVI, 2025).

Together with the Value Balancing Alliance (VBA), IFVI is focusing on the development of Impact Accounting Methodologies, including General Methodologies and Topic and Industry-Specific Methodologies. The General Methodologies are the basis upon which all their Topic and Industry-Specific Methodologies are built, guiding users on how to implement their impact accounting practice, generally and thematically. Their first Methodology publication, i.e., *General Methodology 1: Concept Framework for Impact Accounting*, was released in 2024.

[5] Visit this report to learn more about IWAs by Harvard Business School.

2 Portraits of Key Impact Measurement Resources

2.1. IRIS+ System (GIIN)

The *IRIS+ System* is the "generally accepted system for impact investors to measure, manage, and optimize their impact" (GIIN, 2025). The System aims to ensure a minimum level of consistency in the measurement and performance assessments of impacts, promoting clarity and facilitating the comparison of impact information. Additionally, it is aligned with over 50 standard bodies covering different industry types and disclosure requirements (GIIN, 2025).

The IRIS+ System was informed by three Working Groups launched by GIIN in 2018 (GIIN, 2025). These Working Groups comprised asset owners, asset managers, and service providers. Moreover, over 800 stakeholders informed the development of the System at its launch in 2019 (GIIN, 2025).

The IRIS+ System is based on 1) the *Core Characteristics of Impact Investing*, 2) *IRIS+ Fundamentals*, and 3) *IRIS+ Catalogue of Metrics* (GIIN, 2025). The Core Characteristics define the baseline expectations of an impact investing practice. Meanwhile, the IRIS+ Fundamentals provide an overview of the rules and concepts that define the impact measurement and management approach of IRIS+. Finally, the IRIS+ Catalogue of Metrics is designed to measure the social, environmental, and financial performance of an investment in combination with the *Five Dimensions of Impact*[6] (GIIN, 2025).

The IRIS+ Catalogue of Metrics currently has 744 metrics that can be attributed to 17 different impact categories (excluding the cross category),[7]. Each metric has a unique identifier and specific description that highlights the reporting format, metric type, and metric level. The metric is also accompanied by usage guidance and a description of the associated impact categories & themes and SDG goals & targets.

More recently, IRIS+ extended its offering through the *IRIS+ Core Metrics Set*, which lists key impact metric groupings backed by best practices and science (GIIN, 2025). Similar to the IRIS+ Catalog of Metrics, IRIS+ Core Metrics Sets are presented through the *Five Dimensions of Impact* established in the Impact Management Norms.

[6] Visit this report to learn more about IRIS+ and the Five Dimensions of Impact.

[7] Visit this link to access IRIS+ Catalog of Metrics.

Investors can access and use the resources provided by the IRIS+ System by creating a custom impact framework on the IRIS+ website. Once they define their strategic goal, the IRIS+ system will recommend the user metrics that they can use to measure and evaluate their impact, besides highlighting the link between the strategy and the SDGs. Furthermore, investors can add *IRIS+ Impact Performance Benchmarks*[8] to compare their strategy's performance with aggregate sector-specific impact results.

2.2. HIPSO (HIPSO)

The *Harmonized Indicators for Private Sector Operations (HIPSO)* is a catalog of over 150 metrics split up across 21 sector & industry categories and themes (e.g., *Agribusiness*, *Education*, *Mining*, etc.)[9].

All metrics and respective definitions have been agreed upon by the Whole Group. The MoU establishes that all signatories should use the HIPSO metrics if they are tracking development results (HIPSO, 2013). Relatedly, if a signatory used to measure the same term with a different metric, they should replace their metric with the equivalent metric defined by HIPSO. For example, if a signatory used *Kilograms per hectare* to measure the *Average Agricultural Yield*, it should change the unit to *metric tons/hectare*, as established in the MoU. Moreover, if signatories want to use metrics that go beyond what is currently captured by the HIPSO indicators, they are free to do so (HIPSO, 2013).

Moving beyond signatories, HIPSO encourages any interested entity to use HIPSO metrics, as they are not exclusive to DFIs (HIPSO, 2025). This flexibility is portrayed by the alignment between HIPSO and IRIS+ metrics through the Joint Impact Indicators (JII) and with the SDG targets.

2.3. Sustainable Development Goal (SDG) indicators

The *Sustainable Development Goals (SDGs)* are a key element of the *2030 Agenda for Sustainable Development* from the UN. They comprise 17 goals covering the different dimensions of sustainability, including societal and environmental goals[10].

[8] Visit this link to learn more about IRIS+ Impact Performance Benchmarks.

[9] Visit this link to access the full list of HIPSO metrics.

[10] Visit this link to learn more about the SDGs.

Each of these goals has pre-defined targets, and each of these targets has global metrics. For example, one of the seven targets of the *SDG 1 No poverty* is "By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than $1.25 a day" (i.e., target 1.1). The unique metric of this target is *1.1.1 - Proportion of the population living below the international poverty line by sex, age, employment status, and geographical location (urban/rural)* (UN, n.d.) .

These metrics are defined in the *Global Indicator Framework for Sustainable Development Goals* and are developed by the Inter-Agency and Expert Group on SDG Indicators (IAEG-SDGs). The IAEG-SDGs is composed of member states and international and regional agencies as observers (UN, 2025). The framework was adopted by the UN's General Assembly in July 2017 and is refined annually, with new metrics being integrated as they occur (UN, 2025). As of today, there are 169 SDG targets and 234 unique metrics (251 total metrics considering repetitions).

While these metrics were designed to measure progress towards the SDGs at a regional or national level, many of them can be adjusted to be used in the evaluation of individual projects. In this way, impact investors can use them to track their project's contribution towards the SDGs. Relatedly, some metric catalogs provide a direct mapping between a specific metric and the SDG target or indicator that it reflects (e.g., HIPSO and IRIS+).

Because the SDGs are a clear strategic base for investors interested in creating impact, the use of SDG targets and indicators (or indirect use through linked metric catalogs) can be a natural way to translate strategy into impact metrics.

2.4. Joint Impact Indicators (HIPSO & GIIN)

The *Joint Impact Indicators (JII)* comprise a catalog of metrics that attempt to foster cross-catalog comparability between impact investors & DFIs. Specifically, they map 27 IRIS+ metrics to 18 HIPSO metrics, focusing on topics common across investments: *Gender*, *Jobs*, and *Climate*.[11].

Participants who join the initiative agree to use the JII when measuring and reporting on their impact (HIPSO, 2021). They also agree to collaborate on the identification of a core set of impact metrics in order to define the minimum scope for impact measurement and reporting for all impact investors (HIPSO, 2021). At inception (2021), the initiative was endorsed by the HIPSO, GIIN (IRIS+), and 45 OPIM Signatories (OPIM, 2021).

[11] Visit this report to access the full list of JII metrics and cross catalog references.

2.5. Topic and Industry-specific Methodologies (IFVI-VBA)

The *Topic and Industry-Specific Methodologies* offer a three-part approach to guide users on the measurement and valuation of impacts for particular sustainability topics or industries. The three parts include the identification of 1) Impact Pathways, 2) Impact Driver Measurements, and 3) Outcomes, Impact, and Valuation.

Each Methodology offers specific identifications created by IFVI-VBA. Still, the *General Methodology 1: Concept Framework for Impact Accounting* encourages users to measure and value impacts that they consider material but are not covered by the Topic or Industry-specific Methodologies, following certain considerations (IFVI & VBA, 2024, p. 27).

The *Green House Gas (GHG) Emissions Topic Methodology*[12] is the only official Topic and Industry-Specific Methodology available today[13]. The three-part approach of this Methodology can be summarized as follows. First, the related impact pathway is identified, portraying the causal relationship between Scope 1-3 emissions and negative effects on people's well-being and the environment. Secondly, and consequently, Scope 1-3 emissions are the impact driver that should be measured, according to the GHG Protocol definitions. Finally, a value factor (Vf) [14] is calculated to determine "Outcomes, Impact, and Valuation**"** following the equation:

$$\sum (EmmScope * Vf) \, from \, Scope \; 1 - 3 = GHG \; ValueTotal$$

In the GHG Emissions Topic Methodology, the Vf GHG is calculated using two social cost of carbon (SCC) models: The *Greenhouse Gas Impact Value Estimator (GIVE)* and the *Data-driven Spatial Climate Impact Model (DSCIM)* (IFVI & VBA, 2024, p. 19).

As evidenced in the example, the Methodologies build on existent resources to inform their approach (e.g., GHG Protocol; GIVE; DSCIM). Additionally, the Methodologies aims for alignment with current reporting standards. In the case of the *GHG Emissions Topic Methodology*, these standards are the ESRS E1 (Climate Change), IFRS S2 (Climate Related Disclosures) GRI 305 (Emissions 2016) (IFVI & VBA, 2024, p. 16).

[12] Visit this link to access the final version of IFVI-VBA GHG Emissions Topic Methodology.

[13] Other Methodologies are currently open to public commentary or have draft versions available (e.g., *The Water Consumption Topic Methodology*).

[14] In this case, a **value factor** is a quantity that gives monetary value to an impact.

3 Portraits of Key Impact Management Resources

3.1. The 9 Principles of Impact Management (OPIM)

The 9 Principles of Impact Management provide an end-to-end framework that investors can use to design, implement, and continuously improve their impact management processes (OPIM, n.d.). The framework takes into account the impact implications throughout the entire lifecycle of an investment, from the initial strategic intent to the exit. The 9 principles[15] are chronologically ordered, i.e. they are associated with different stages of the investment lifecycle.

While the framework defines the nine principles and establishes a relationship between these principles and the lifecycle of an investment, it does not provide detailed descriptions of the steps that investors need to perform to manage their impacts. Consequently, the framework allows investors to structure their impact management processes to fit their specific needs. Relatedly, the framework does not suggest any specific approach towards impact measurement.

Because they do not require investors to follow specific steps, the framework serves as a reference point towards which different approaches to impact management can be assessed. The principles are also applicable to all types of investors and investment types. This explains why the 9 Principles of Impact Management aim to become a global standard on the practical nature of impact investing (OPIM, n.d.).

3.2. Impact Management Norms (Impact Frontiers)

The *Impact Management Norms* are a set of five Norms "written from the perspective of investors and enterprises, who strive to understand and define impact from the perspectives of those experiencing it." (Impact Frontiers, 2025). Impact Frontiers presents each of the norms as modules through which practitioners can deepen their knowledge of the norm and access resources to enhance their related impact management practice. The Norms are 1) The Five Dimensions of Impact, 2) ABC of Enterprise Impact, 3) Investor's Contribution, 4) Investment Classification, and 5) Impact-Financial Integration[16].

[15] Visit this link to learn more about OPIM's 9 Principles of Impact Management.

[16] Visit this link to learn more about the Impact Management Norms stewarded by Impact Frontiers.

3.3. Actions of Impact Management (Impact Management Platform)

The *Actions of Impact Management* highlight the core steps and components of the impact management process according to the Impact Management Platform (2025). These actions[17] are categorized into internal (six actions) and external (two actions), with both types informing the strategy and governance of an organization (Impact Management Platform, 2025). Included in the internal actions is *Measure, Assess and Value*, which is linked to impact measurement.

Each of the actions is defined and contextualized to educate users on how to navigate and understand the importance of each action. For example, the action *Measure, assess, and value* aims for users to "understand current practice and performance to inform prioritization and decision-making" (Impact Management Platform, 2023). The action's portrayal commences by describing the scope of measurement, assessment, and valuation, followed by detailed descriptions of these three practices. Lastly, public resources that facilitate the management of the action are recommended, including some of the impact measurement resources discussed in this report.

Relatedly, the Impact Management Platform offers *System Maps* that visually connect public resources with the impact management actions[18], particularly those curated by the partners of the Platform.

[17] Visit this link to learn more about the Actions of Impact Management by the Impact Management Platform.
[18] Visit this link to access the System Maps by the Impact Management Platform.