

A Conversation with GIIRS Pioneer Fund IGNIA and Tanya Beja

In the coming months, GIIRS will compile a number of case studies and interviews with GIIRS Pioneer Funds, Companies and Investors. Below are excerpts from our first interview, with Tanya Beja, Head of Industry and Investor Relations at IGNIA.

Why did IGNIA become a GIIRS Pioneer Fund?

We believe that in order for a fund to call itself an impact investing fund, it must be committed to measuring its impact. In order for the industry to take off, we [industry players] must come together to agree on a common standard that we will all be measured against. We believe GIIRS is the best standard in the market right now to capture social impact, to measure across portfolios and sectors, and to build a transparent and legitimate system. GIIRS puts our feet to the fire to make sure we're delivering.

How interested are your current investors in IGNIA's focus on social and environmental impact?

The inspiration for IGNIA was to be a fund that targets the BOP and builds a more equitable world through its investments. While we have a spectrum of investors, including investors primarily focused on earning above market rate returns, the majority are very interested in our social and environmental impact. We are proud that one of our investors, the Inter-American Development Bank's Multilateral Investment Fund (MIF) is the first multilateral organization to make GIIRS a requirement for its impact portfolio.

How was the rating process for your portfolio companies – tell us what about the biggest challenge and the best part of the process. The biggest challenge was rendering information in a manner appropriate for the assessment. For example, portfolio companies had general worker information but needed to delve deeper to extract specific metrics around segmentation by gender or wage structure. The process of getting rated for the first time is hard because the information you're collecting and producing is new; the next time companies go through the GIIRS process, I believe it will be easier.

The best part of the process for the companies was realizing that there is a wealth of information in the impact data that can help them manage their business better. Our portfolio companies are taking what they learned through the GIIRS assessment and using it to identify weaknesses in their business model. Also, as a Pioneer Fund, we worked very closely with the GIIRS team who were supportive and collaborative throughout the process.

IGNIA is preparing to raise a new fund. How has your GIIRS Rating factored into the process, or how do you expect it will be used as you approach investors for the new fund?

We see being a GIIRS rated fund as adding legitimacy to our mission and our commitment to improve impact over time. As we are going back to the market to raise our second fund, we're seeing that the impact investing landscape has gotten bigger, with more people looking for and providing funding. One way we can highlight our commitment to impact investing is through our GIIRS rating, and we will showcase this in our new fundraising process.

Any final thoughts to share with other impact investing funds in the space?

The industry is currently fragmented in the sense that investors require measurement of the impact of their portfolio investments in ways specific to each organization – as a result, investees spend a lot of time creating tailor-made impact reports for each investor. We hope more investors and funds sign on to GIIRS because it will help streamline reporting, enhance robust benchmarking, add legitimacy to the sector, and enable the broader market to understand what impact investing is.