Impact Case: Theory of Change Sustainable Enterprises

Challenge	Input	Output	Outcome	Impact
Public budgets & development initiatives insufficient for ~USD 3 trillion annual financing gap in the 2030 Agenda Private markets must play a role, but	Investment Debt Equity Mezzanine 	Improved viability and capacity for sustainable fund and investment management within private markets, i.e. impact, ESG and business management	More resilient and inclusive financial markets and societies in target regions	Advance sustainable improvements in living standards Promote inclusive and
especially in the global south, they remain underdeveloped Private equity funding reinforces systemic	 Mobilization of other financing Active ownership 	capabilities Increased financing deployed to	Expansion of sustainable SMEs and mid-corporates, scaling green and inclusive innovations	sustainable economic growth, full and productive employment and decent work for all
inequalities. Expat founders receive the largest share of financing and only ~2% of VC funding goes to women founded/led	Strategic expertise at LPACs and Sustainability Committees	underserved SMEs and mid- market corporates in target regions	Growth of local economies, income and tax generation	Promote sustainable industrialization and foster innovation, leveraging
Catalyzing private sector growth is critical. In the developing world, the sector accounts for 90% of employment. MSMEs create 75% of new jobs, with a significant share supported by the digital ecosystem	 Technical assistance Within: Financial/investment advisory 	Increased diversity and inclusion in private markets, both at fund manager and portfolio company levels (incl. gender)	Increase and support of decent jobs opportunities (incl. direct and indirect employment)	digitalization Reduce inequalities within and among
SMEs in these geographies lack sustainable access to formal financial services. Only 1 of 5 SMEs access funding through local banks	 ESG & Impact advisory and capacity development Thematic support (incl. digitalization, climate and 	Increased investments and mobilized capital in innovation	Improved access to products and services for the underserved and populations in vulnerable	countries Achieve gender equality
Africa exports resources in raw or unprocessed states while importing manufactured products. Primary commodities account for more than 75% of exports.	gender)	and digitalization	situations (incl. health, financial and digital services)	and women empowerment