The UN-supported PRI Initiative's Principles for Investors in Inclusive Finance (PIIF) are comprised of seven principles that help guide fund managers to be responsible in their investments. A report released by PRI and CGAP today summarized the results from 15 of the total 51 signatories that voluntarily pilot-tested a reporting framework to measure their implementation of the PIIF principles.

Queen Máxima commended the pioneering fund managers who participated in the pilot. Together, the 15 represent more than USD 6 billion in assets invested in inclusive finance. Their participation in the pilot contributes to the continued strengthening of the PIIF framework and accountability in responsible investing. It also demonstrates how far the Principles had been incorporated into investment policies and processes in the short time since their establishment in January 2011 by the UNSGSA, investors, industry players, CGAP and the UN PRI where it is housed.

According to the PRI and CGAP analysis of the pilot reporting results, most respondents report an overall high level of commitment to investing in microfinance institutions that offer a range of financial services beyond credit - including savings and insurance. Nearly 90% also reported a procedure to integrate environmental issues into their investment decision making--reflecting positive integration with several of the key PIIF principles for responsible investing.

The UNSGSA also noted areas for further improvement. For example, although most participants' investment decision-making takes into account the social performance of investees, staff incentives (monetary or otherwise) are not yet always linked to social performance.

The reporting framework will launch in full in October 2013, when reporting will become mandatory for all signatories of the PIIF. PRI and CGAP will conduct pilot individual assessments of signatories in order to help participants identify areas of strength and weakness compared to peers. This increased level of accountability and transparency is an important part of ensuring the principles help drive long-term commitment to more inclusive investing.