



# Social impact investing – a way forward Finnish perspective

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# Why Social Impact Bond (SIB) – Social Outcomes Contracting?



## Payment by outcomes

= tax payers money in successful use by support of private capital

## Upfront investments to well-being and health

= promotion and prevention, not "only" nursing

## Foresight

= sustainable well-being

## Data driven management

= facts, not personal (political) opinion and/or hype

## Person/ population group in focus

= segmentation, structures and processes for outcome/impact

## Service design

= co-operation/coalitions



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# Costs which can be prevented – examples from Finland



| Cost                            | EUR per year                    |
|---------------------------------|---------------------------------|
| Child in custody care           | 130 000 / person / municipality |
| Social marginalized youth       | 20 000                          |
| Elderly in 24/7 care            | 40 000                          |
| Alcohol abuse                   | 1 billion / society             |
| Physical inactivity             | 1 - 2 billion                   |
| Sick leaves                     | 3 - 4 billion                   |
| Smoking                         | 1,5 billion                     |
| Diabetes (inc. Type 2 diabetes) | 1,5 - 2 billion                 |
| Loneliness etc.                 | ...                             |



# Way of acting between public sector and service delivers has to be changed



Change from procurement of activities to procurement of outcomes means two radical changes:

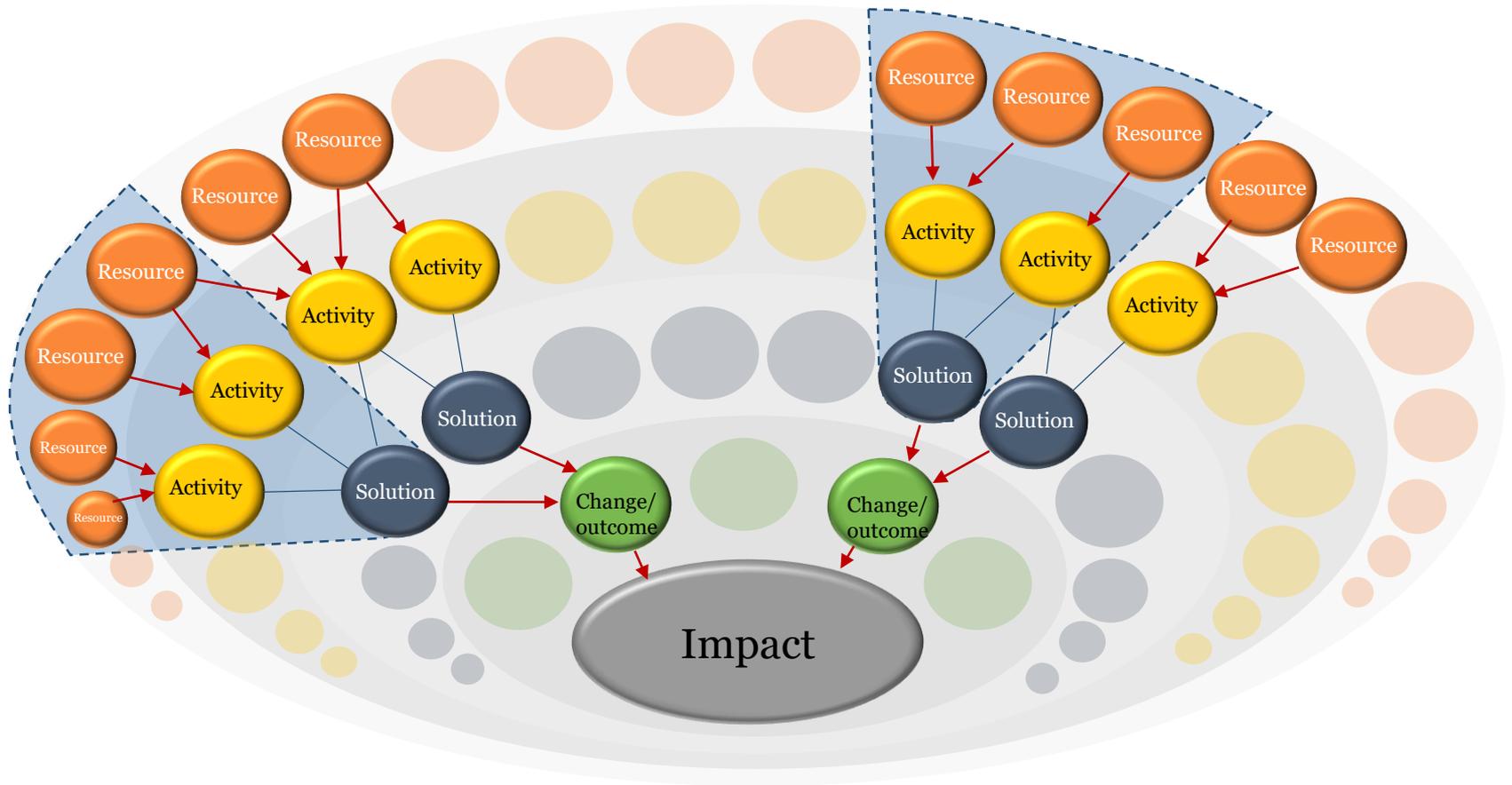
1. Commissioner is an owner instead of determinant;
2. Service deliver is an innovative impact actor instead of mechanical operator.

Real co-operation between different actors/stakeholders is crucial.

Public sector as a platform.



# Impact ecosystem



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 investments **fi-compass** final recipients  
 business plan **Thank you** thematic objectives  
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