**Workshop on the**

# Political Economy of Social Impact

## The role of the state in standardizing social impact measurement

***July 16th 2019, 1pm-6pm, King's College London***

Department of International Development, King's College London

### Overview

The groundswell of firms and investors reporting social impact is encouraging. By 2017, the Global Reporting Initiative (GRI), a private organization, claimed that more than three quarters of the world's 250 largest companies reported social impact through their framework. The rationale underpinning this proliferation of impact reporting is the desire for transparency into business practices, across stakeholders, including consumers and investors. Despite the positive indicators of this shift, there is increasingly concern that the rise in reporting socially impactful activities is the result of "impact washing" more than a structural change in the way firms operate. Without clear standards and enforcement, organizations can produce cherry-picking in their reporting. To advance the dialogue for how to tackle this problem, the King's Together Seed Fund is supporting a full-day, interactive workshop, with academics, practicioners, and policymakers engaging in a 'policy lab' and participating in panel-based discussions, around the release of KCL's prototype for an interactive impact reporting platform and emerging research on the state of standardizing impact.

### Background

The proliferation of social impact reporting came largely outside the behest of the state. The U.S. Environmental Protection Agency was the first to require social impact assessments of real estate developers from 1970, but the wider rise in reporting environment, social and governance (ESG) performance and advances on UN Sustainable Development Goals has been propelled by firm's own initiative. National and supra-national governments have re-entered the picture, with a renewed focus on due diligence. In 2014, the European Commission passed Directive 2014/95/EU, which requires large companies with 'public interest' reporting myriad non-financial activities as part of their annual financial reports. From 2018, approximately 6,000 European companies' annual reports will include their efforts on environment protection, social responsibility, diversity on boards and respect for human rights, amongst others. Across the channel, in November 2017 the U.K. government published a report on how to grow a culture of social impact investing and the French Duty of Vigilance law.

### Workshop structure

The day will begin with the presentation of a policy briefing note, to inform the opening discussion. The briefing maps the regulatory efforts related to social impact (including ESG, CSR and SDG) reporting across the following countries: the US, UK, Belgium, France, Germany, Sweden, Switzerland, Singapore, Japan. The workshop will then turn to the release of the King's Digital Lab prototype of an interactive social impact scoring platform. Working sessions will engage participants to answer a number of primary questions, as will two panels comprised of state-of-the-art paper presenters.

The primary questions that the workshop strives to ask, and answer, are:

1. What are the key current and future challenges to accomplishing (universal) standardization?
2. To what extent do standards already exist in the world of social impact measurement? Which standards are used most frequently, and what are their limitations?
3. How have different governments (national, supra-national and inter-national) standardized impact reporting? Has one approach dominated?
4. What sort of dialogues across government, firm, industry groups, NGOs, investors and auditors can drive forward universal standardization?
5. Should standards be 'universal', or geography or industry specific?

### Call for Papers—open until June 15th

Proposal submissions (of 500-words) should be emailed to Robyn_Klingler.Vidra@kcl.ac.uk. In the interest of driving an interactive dialogue, paper presentations will each be 8 minutes and presenters are kindly asked to avoid using PowerPoint slides during their presentation.