

Pan-Impact Korea

「Pan-Impact Korea」 was founded in February 2015 by experts pursuing realization of social values via impact investments and public policy innovation.

「Pan-Impact Korea」 is the first designing & intermediary agency of SIBs in Korea (and in Asia region).

「Pan-Impact Korea」 is established with the purpose of realization of social values by impact investments utilizing Social Impact Bonds(SIBs). As the nation's first SIB intermediary, we possess integrated abilities, experiences and know-how needed for the introduction of SIBs.

「Pan-Impact Korea」 is the secretariat of 「Social Impact Bond Local Government Council of Korea」.

The Council is the public organization established to provide consultations about SIBs and introduction of related policies, as well as to build partnerships between local governments. As the secretariat of the council, 「Pan-Impact Korea」 is playing a pivotal role in creating market for public and expansion of the SIBs.

「Pan-Impact Korea」 has an independent ability to design SIB projects as a pioneer in the nation.

Members of 「Pan-Impact Korea」 first proposed SIB policy to Seoul Metropolitan Government in 2011. Since then, we have carried out various important roles and tasks to actualize and expand SIBs in Korea. As the pioneer of the domestic SIB market, we have sophisticated expertise and experience over the entire process in developing SIB projects.

The First SIB in Korea

Target Population	<p>Approximately 100 BIF(Borderline Intellectual Functioning) children living in Seoul city child welfare facilities</p> <ul style="list-style-type: none"> - BIF children are those with IQ level between 71~84, often recited as 'slow learners' - Children undergoing similar difficulties with BIF children will be served in part (IQ 64~70) 								
Social Problems	<p>The probability of BIF children end up becoming welfare beneficiaries is 30%, which is 15 times higher compared to the children with IQ level above BIF range.</p> <p>In addition, BIF children will eventually become intellectually disabled as their IQ levels have tendency to decline as maturational effects take place.</p> <p>Although they inevitably suffer from under-achievement and maladjustment to schools, there are neither social nor political supports available for these children.</p>								
Objective	Improvement in children's intelligence level and sociality								
Commissioner	Seoul Metropolitan Government								
Project Intermediary	Pan-Impact Korea								
Funders	<ul style="list-style-type: none"> - People & Peace Link - Merry Year Social Company - UBS Securities Seoul Branch 								
Service Providers	Daekyo & Daekyo Culture Foundation								
Project Duration	3 years								
Success Payments	<table border="1"> <tr> <td>Investment Size</td> <td>1.11 billion KRW</td> </tr> <tr> <td>Maximum Success Payments</td> <td>321 million KRW</td> </tr> <tr> <td>Maximum Rewards Condition</td> <td>42% of target population meets predefined targets</td> </tr> <tr> <td>Principal Repayment Condition</td> <td>33% of target population meets predefined targets</td> </tr> </table>	Investment Size	1.11 billion KRW	Maximum Success Payments	321 million KRW	Maximum Rewards Condition	42% of target population meets predefined targets	Principal Repayment Condition	33% of target population meets predefined targets
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SIB Development Process in Korea

I. March 2014: Seoul City Council passed SIB legislation

The SIB Legislation Taskforce has been established at the end of 2013 in order to successfully proceed the enactment of SIB legislation in Seoul. The taskforce brought experts from private sector and government officials together. The council enacted SIB legislation in March 2014.

II. April 2015: Seoul Metropolitan Council passed the nation's first SIB project

The first SIB is designed to provide necessary aids for Borderline Intellectual Functioning (BIF; IQ 71~84) children residing at Seoul city child welfare facilities who had no means to receive needed supports for their entire life-time.

III. July 2015: Seoul Metropolitan Government's SIB council selected intermediary

Members of Pan-Impact Korea first proposed SIB policy to Seoul Metropolitan Government in 2011 and operated SIB Legislation Taskforce in 2014. Moreover, Pan-Impact Korea designed Seoul's first SIB project and has been selected as the intermediary based on the expertise.

IV. March - April 2016: Pan-Impact Korea secured fund from private investors and hired a service provider

Pan-Impact Korea secured full investment amount required to proceed the SIB project in March 2016. Investment contracts with private investors (People and Peace Link, Merry Year Social Company, UBS Securities Seoul Branch) have been finalized in April 2016. In addition to this, Pan-Impact Korea chose Daekyo as a service provider in April 2016.

V. June 2016: Independent evaluator has been arranged

Seoul Metropolitan Government selected Sungkyunkwan University Research & Business Foundation as an independent evaluator.

VI. August 2016: Daekyo starts providing services to beneficiaries

Daekyo began intervention in August 2016. Pan-Impact Korea will continuously cooperate with the service provider for maximum impact and outcome. Investors will be provided reports on ongoing progress quarterly and annually.

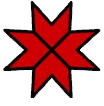
SIB Local Government Council of Korea

Purpose of the Council	To promote the cooperation and expansion of SIBs among the local governments
Secretariat of the Council	Pan-Impact Korea
Date of Establishment	1 st of November, 2016
Legal Ground for the Council	Local Autonomy Act
Qualification for Membership	Local Governments of Korea (Special Member: The Ministry of the Interior)

The 「SIB Local Government Council of Korea」 is the organization seeking to promote and support the expansion of SIBs in South Korea. The council is the administrative consultative council defined in the Local Autonomy Act. Pan-Impact Korea operates secretariat of the council. The secretariat shares key knowledge and information with member governments to support them to develop best practice for SIBs.

Goals and objectives

- ▷ Supply expertise and know-how to member local authorities interested in utilizing SIBs for the better society
- ▷ Minimize the trial and error at the initial stage of introducing SIBs and thus spreading the policies effectively all over the country by dispersing SIB knowledge through the council
- ▷ Promote cooperation among local authorities and create SIB ecosystem where private stakeholders may actively participate
- ▷ Design joint SIB projects for member local governments and resolve social problems efficiently



Memo

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