

Scaling Up Investment and Multi-sectoral Involvement in S4D

Action Plan: Social Return on Investment Models & Social Outcomes Contracting

Acknowledging that sport is a vital enabler of sustainable development, it is increasingly important to understand the impact sport programmes have on the ground. This impact is highly cross-sectoral, with <u>growing evidence of significant cost-savings</u> across social, educational, health, and economic domains from even minor investment in sport for development (S4D). In order to provide the most effective tools and advice to Member States and scale up investment in S4D, it is crucial that UNESCO Sport Section:

- i. engage in accurately measuring the outcomes of grassroots sport programmes through international data aggregation and a robust social return-on-investment (SROI) model;
- ii. provide a framework for Member States and partners to operationalize this data at local, national, and international levels, and;
- iii. create practical tools, especially for financial instruments that use SROI data to lower risk and increase return for governments and other social investors.

UNESCO Sport Section is in the early innovation stage of this work, responding effectively to each of these calls through:

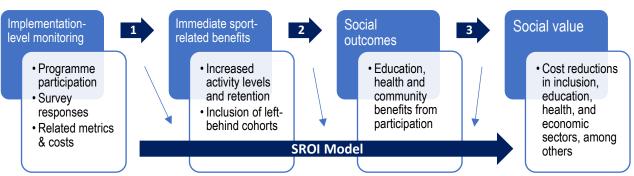
- 1. knowledge and capacity building through UNESCO's global alliance Fit for Life (F4L)
- 2. international advocacy, outreach, and partnerships to scale up investment
- 3. implementation of outcomes-based pilot projects with champion countries

These actions are summarized below, as of their status in August 2022.

1. Knowledge and capacity building through UNESCO global alliance Fit for Life (F4L)

Launched in November 2021, <u>Fit for Life</u> is a vehicle for broader scaling-up of investment in S4D. F4L is a global alliance of international, regional, and national stakeholders in sport, designed to collect and operationalize data from the sport, education, and health ecosystems to deliver integrated and concrete actions from policy to practice.

In its earlier stages, Fit for Life will create a curated and interlocking international data ecosystem to advance knowledge, address data gaps, and deliver high-impact interventions. In later stages, data collected through research and implementations will be operationalized, notably by connecting participation in sport programmes with cost savings through a Social Return on Investment (SROI) model. These tools will be accompanied by policy advice and an accreditation system to help governments use and collect more data to optimize their investments. The basic function of an SROI Model in sport can be understood as connecting:



Research from F4L will initially address arrow **2** in the above diagram, building concrete data on the relationship between the benefits of participation and broad social outcomes. Through a mix of research and on-the-ground learning from the F4L Champion Country Change Programme, this data will be extended to encompass arrows **1** and **3**. In the end, this research feeds into an SROI model which can reliably estimate the social value of an intervention from

the limited measurement metrics and programme costs available to on-the-ground implementers.

In the long-term, this SROI is slated to be a powerful tool for newcomers to the S4D market. One that is especially effective for stimulating multi-sectoral investment because it shows the concrete dollar value of sport investment broken down across each sector.

2. International advocacy, outreach, and partnerships to scale up investment

UNESCO Sport Section chairs Working Group II (WG II) of the <u>Coalition for Sustainable Development through Sport</u> (CSDS): "Leveraging the power of sport to achieve the SDGs". This coalition is an assembly of development banks, experts and sport organisations



SOC Pilot Project

UNESCO & the Development Bank of Latin America (CAF)

- This ongoing partnership is a positive early example of how CSDS members are creating real investment opportunities in S4D
- •This implementation will target the priority areas of disability, equal access, and inclusion in physical activity. It will be situated in Santiago, Chile to dovetail with the 2023 Panam and Parapanam games
- The project has been wellrecieved with forecasted support from local government of up to \$50 million
- Upcoming Launch Event:21 Sept 2022 (NYC, USA)

launched in 2020. The goal of CSDS is to foster a common vision,

share knowledge and resources, mobilize cutting edge investment strategies for S4D, and support scalable projects showcasing sport as a vital tool for sustainable development. WG II of the Coalition aims to develop new partnerships, co-design proof-of-concept pilot projects, set the standard on current methodologies, and collectively build capacity for scaled-up implementation. UNESCO Sport Section and CSDS presented initial findings on current funding opportunities at <u>Dubai Expo, January 2022</u>.

3. Implementation of outcomes-based pilot projects with champion countries

Social Outcomes Contracting (SOC) is a novel financial instrument ideal for increasing investment in S4D from newcomers and early adopters. These unique arrangements manage risk by building the contract on accurate Social Return on Investment (SROI) data, allowing investors to pay for outcomes directly, and *only after* the outcomes have been recorded and verified by an independent evaluator. SOCs create new data, lower risk,

higher return, and clearer opportunities for cross-sectoral engagement. For a compelling example of an SOC in S4D, developed by UNESCO's current design partners, see: Chances SIB. Building on examples like this, UNESCO is in early development for several SOC pilots in different regions with a compact of development partners, both from within and beyond CSDS. Beyond single implementations, SOCs represent a system change in sport investment. In the long-term, UNESCO's pilot projects will:

Build Data through Pilot Implementations & F4L Research

In concert with F4L's scoping and baseline studies, proof-of-concept pilot projects will build and refine SROI data, while creating real impact.

Scale Up Pilots

Through increased government buy-in, refined contract methodologies and data sets, the pilots will scale up and create more impact.

Capacity Building

Development of F4L international data repository, tools for newcomers, and key policy advice for Member States.

Long-term Goals

- Mature ecosystem of SOC resources leading to greater government/ industry buy-in, and more sport funding where it counts
- Awareness-raising at MINEPS VII and beyond

Social Outcomes Contract (SOC)

Model of Implementation Cycle

A Social Outcomes Contract (SOC) is an agreement defining the estimated rate of return, methodology, theory of change, plan for data verification, and implementation strategy for an S4D project. The first step in this process is the development and refinement of a 'rate card' which defines the agreed monetary value of outcomes, based on

Risk Investors

- Development Banks
- Private & Social Investors

Outcome Payers

- Government Ministries (various)
- Philanthropic organizations
- Industry Partners



& Co-design Partners

Scaling-up the Cycle

SOC pilots will both use and symbiotically grow open-source SROI data, improving the accuracy and scale of future implementations both locally and globally through UNESCO's F4L

The risk investor is repaid by the outcome payers with interest, only after outcomes are recorded and verified.

SROI data.

Up-front funding travels from risk investors to implementing partners. These increased funds allow service providers to expand their impact, creating real outcomes for participants.

Implementing Partners

- Grassroots Sports **Organizations**
- Education Systems

Social Outcomes Contract

Beneficiaries

Participation leads to real improvements in health, physical literacy, inclusion and education

Independent Evaluator: verifies outcomes

Verified Outcomes

Cost reductions and returns are recorded in education, social inclusion, health, gender equality, youth empowerment, crime reduction, and employability.

The Value of the SOC Model in Sport for Development: A Win-Win-Win Proposition

Beneficiaries

Access to higherquality sport and most at-risk, along with related benefits to health and well-being

Governments / Outcome Payers

For outcome payers, SOCs

Risk Investors

monitoring of real on-the-ground

Global S4D Community

Jutcomes

Grassroots Sports Organizations

Additionally, an SOC in Sport has great potential to create joint funding packages across government ministries, especially thanks to SROI data which maps the concrete dollar-returns for each domain. An outcomes-based investment in S4D can extend far beyond sport, encompassing outcomes in health, education, gender equality, youth, and social inclusion.