

Novel Financial Instruments

Opportunities to partner with UNESCO Sport Section's

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Context

Investment in Sport for Development (S4D) is a growing marketplace, showing remarkable returns across social, educational, health, well-being and economic domains.

Growing evidence of the powerful impact of sport-based investment¹ makes S4D a core development tool, enabler of the Sustainable Development Goals and a strong proposition for building back better from COVID19.

Investment outcomes are evidenced with data built from the bottom-up, from local implementation in grassroots sport.

Thanks to innovative financing strategies, outcomes data can now create scalable, inter-sectoral, and inter-agency funding opportunities, stimulating real opportunities at the grassroots level.

Ireland hosted a milestone event in January 2022 at Expo2020 Dubai focused on putting into practice and scaling up investment in the unique value proposition of sport. The UNESCO-led session delivered concrete guidance and increased confidence for leveraging the power of sport as a systematic component of policies, development assistance and sustainable business strategies.

It brought together organisations on the cutting edge of sport policy, including governments, United Nations and other intergovernmental organisations, research and education institutions, sport and sport for development organisations, development banks and other investors.

Opportunity

Through its new global alliance [Fit for Life](#) (F4L), UNESCO is creating innovative opportunities for newcomers to realise this full investment potential.

F4L is a world-class international consortium that researches the impact of sport participation while growing the databank of S4D research. It delivers robust social return-on-investment (SROI) data to create low-risk outcomes-based investment opportunities to scale up funding in this area.

Central to the F4L programme are Social Outcomes Contracts (SOCs), which offer potential partners, such as development banks, an effective, measurable framework to build capacity and promote sustainable development.

Social Outcomes Contracting (SOC) represents a powerful new vision of sport investment and a win-win-win proposition for investors.

Outcomes-based contracts built on SROI data accurately predict the multi-sectoral cost-savings of a sport-based implementation. This data foundation allows governments and investors to only pay for outcomes recorded and verified independently. Other investors, such as development

¹ We may refer here to the cutting-edge work of our colleagues at UEFA, whose Grow SROI model has [mapped billions of dollars of value to amateur football participation in Europe](#).

banks, take the role of risk investors. The contracts are uniquely built around outcomes paid for directly and with almost zero risk by a government or social investor. This opportunity is both lucrative and beneficial to all stakeholders. These contracts are risk-averse and built on robust data sets that evaluate sports' impact on social outcomes.

Early adopters, including governments, development banks, and philanthropic organisations, are already tapping into this market, piloting proof-of-concept SOC, building local data, and preparing to scale up their investment.

The most advanced of UNESCO's SOC projects is a partnership with the Development Bank of Latin America (CAF), champions in this field. UEFA and the MTU UNESCO Chair collaborate with UNESCO and CAF on this pilot initiative. This SOC targets the priority areas of disability, equal access, and inclusion in physical activity. It will run in Santiago, Chile, to dovetail with the 2023 Panam and Parapanam games. Government support is forecast at \$50 million for scaling-up implementation.

UNESCO is also piloting SOC in cooperation with:

- Agence Française de Développement
(intervention in DRC targeting gender equality through sport)
- Ma'an, the Abu Dhabi Authority of Social Contribution
(implementation of CPD modules and Quality Physical Education curriculum)
- Inter-American Development Bank
(intervention in Guatemala and Panama targeting youth at risk)
- Germany, Italy, France, Spain (BMZ/GIZ, AFD, CSD, AECID, ICS)
("Team Europe Initiative" funding proposal to EU/INTPA)

Ireland is well-positioned to become a champion in Outcomes-based investments in Sport for Development by partnering with UNESCO and Fit for Life.

UNESCO and F4L invite interested investors to support project development and scale up and pilot their own SOC. Contracts are flexible and developed based on critical outcomes relevant to ministries overseeing sport, health, finance, education, inclusion, and many others.

Investors can join the [Coalition for Sustainable Development through Sport](#), an assembly of development banks, experts, and sport organisations². UNESCO chairs Working Group II: "Leveraging the power of sport to achieve the SDGs." A core proposition in this workstream is SOC, which UNESCO presented with the coalition at "[Measurement and Data for Scaling Investments in Sport for Development](#)" (Irish Pavilion, Dubai Expo, January 2022). Joining the coalition will help pool knowledge and resources to champion new proof-of-concept pilots and build evidence and capacity for scaling up future contracts.

Ireland's National Sports Policy 2018-2027 core values align entirely with this outcomes-based investment approach. Both are evidence-led and outcomes-focused, prioritise monitoring, evaluation and accountability, promote inclusion, and seek to foster collaboration within and beyond the sports sector. The Sports Action Plan 2021-2023 identified MTU UNESCO Chair as a critical stakeholder in reflecting the importance of international work in measuring the contribution of sport to the UN Sustainable Development Goals.

Partnering with Fit for Life is an ideal way for Ireland to advance national objectives using a win-win investment approach at the cutting edge of sport for development.

² Current membership includes AFD, CAF, JICA, ENAS, GIZ, IOC, IPC, Paris 2024, ICS, Dakar 2026, Sport en Commun, VER.RF, BOAD, ALIDE, and ADFIMI.