



April 16, 2022

Vanessa A. Countryman,
Secretary U.S. Securities and Exchange Commission
100 F St., NE
Washington, D.C. 20549

Subject: File No. S7-17-22

Comments on Proposed Rule 33-11068: Enhanced Disclosures by Certain Investment Advisers and Investment Companies about Environmental, Social, and Governance Investment Practices

Dear Secretary Countryman,

On behalf of the Global Impact Investing Network (GIIN), we wanted to thank you for the opportunity to comment on the proposed environmental, social and governance (ESG) enhanced disclosure rules.

The GIIN supports the disclosure rules. We believe they can help investors and investment advisors make more informed choices and create the transparency needed to guard against unfounded impact claims or “greenwashing”.

While we support disclosure rules overall, we suggest renaming the **ESG Impact Fund** as the **Impact Fund** because the draft label confuses different strategies as they are understood by investors in the U.S. and globally.

An ESG strategy considers a company’s ESG factors, such as greenhouse emissions and good governance. By contrast, an impact fund strategy focuses on meeting financial goals while targeting solutions for helping people and protecting the planet. Impact funds may focus on strategies like investing in distressed rural and urban communities, sustainable agriculture, clean energy, community development and affordable housing, etc.

To illustrate the contrast, when looking at greenhouse gas emissions, an ESG fund might focus on companies that don’t produce significant greenhouse gas emissions, while an impact fund would focus on companies with solutions that actively reduce emissions.

To link an impact strategy to tangible impact results, investors are turning to impact measurement standards that are distinct from ESG disclosures. Conflating the two terms – ESG and impact – could create confusion because it mixes different investment strategies and measurement systems.



Founded in 2009 and based in New York, the GIIN is a non-profit organization dedicated to increasing the scale and effectiveness of impact investing around the world. The GIIN has a network of more than 42,000 individuals located on six continents and membership of over 400 of the world's leading financial organizations. [The GIIN's IRIS+](#) system is the generally accepted system for impact investors to measure, manage, and optimize their impact. The GIIN also participates in global impact investing initiatives such as the G7 Impact Taskforce.

These comments reflect the view of the GIIN leadership and do not necessarily represent any single member organization.

Thank you again for the SEC's progress on the proposed disclosure rules and the opportunity to comment. We would welcome the opportunity to participate in the ongoing ESG and impact rules development process.

Sincerely,

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