

# HOW TO USE IRIS+ AND HIPSO INDICATORS TOGETHER

Developed in partnership with HIPSO

## IRIS+ ALIGNMENT

### PURPOSE

This document provides guidance on how to use IRIS metrics alongside HIPSO indicators.

---

### AUDIENCE

Development finance institutions, multilateral development banks, impact investors, foundations and government agencies. May also be useful to enterprises and service providers working with impact investors.

**LEVEL:** BEGINNER

---

### REFERENCE

Use this document with



---

Updated February 2021



# BACKGROUND

Harmonizing impact measurement and management (IMM) approaches is key to effectively using impact performance data for investment decision-making. The Global Impact Investing Network (GIIN) works alongside leading organizations across sectors and industries to align their respective standards, methodologies, metrics, and/or assessment tools with IRIS+ and IRIS metrics. These alignments:

- help organizations communicate with a common impact performance language;
- alleviate the reporting burden on both investors and investee organizations; and
- enhance data interoperability between different actors.

## About HIPSO

The broad range of structures, mandates and shareholders of Development Finance Institutions (DFIs) working with the private sector means that there are many different systems used to track development results. However, many DFIs share the same clients or invest in the same sectors, but previously required clients to report their activities based on different sets of criteria.

[The Harmonized Indicators for Private Sector Operations \(HIPSO\)](#) represent the collective agreement of 27 DFIs originated in 2008 to standardize indicators and relieve clients from the unintended burden deriving from the DFIs' different reporting requirements, including similar indicators (with different definitions) meant to capture the same data.

Today, HIPSO indicators are used by DFIs, impact investors, and other development partners. The metrics are also in alignment with the UN Sustainable Development Goals. As of 2021, HIPSO has revised its indicators and expanded coverage in thematic areas around gender, climate, and jobs; and at the sector level, around financial intermediation and infrastructure services.

## About IRIS+

IRIS+ is the generally accepted system for measuring, managing, and optimizing impact. Developed with input from 1,000+ stakeholders, IRIS+ is used by impact investors, enterprises, and other impact investing stakeholders around the world to understand, assess, and advance impact performance.

Whether used end-to-end as an impact measurement & management system, or to underpin other standards, methodologies, and assessment tools by employing the use of standard IRIS metrics and Core Metrics Sets (short lists of key indicators), IRIS+ enables impact investing stakeholders to measure progress toward their goals in a way that produces clear, consistent, and comparable data.

## ABOUT THE GIIN

The Global Impact Investing Network (GIIN) is the global champion of impact investing, dedicated to increasing its scale and effectiveness around the world. The GIIN builds critical market infrastructure and supports activities, education, and research that help accelerate the development of a coherent impact investing industry. IRIS+ is managed as a public good by the GIIN.

In addition to the IRIS Catalog of Metrics and Core Metrics Sets, IRIS+ also offers a common way to frame impact goals (along the SDGs or common impact categories), a built-in evidence base linking common impact goals to specific outcomes, includes curated best-in-class third-party resources, and practical, how-to guidance to advance impact measurement and management practice. IRIS+ is a free, publicly available resource managed by the GIIN, the global champion of impact investing.

## Using IRIS+ and HIPSO together

The GIIN and HIPSO have a long history jointly coordinating efforts towards harmonization. The alignment between HIPSO indicators and IRIS metrics enables DFIs, their clients, and other stakeholders in the impact investing space to have a common and comparable way in which impact of their operations is assessed.

Brief history and current status of IRIS and HIPSO collaboration and alignment

- 2013: First IRIS-HIPSO alignment: 15 out of 27 HIPSO indicators (56%) were aligned to IRIS metrics.
- 2016: IRIS-HIPSO alignment update: 19 out of 38 HIPSO indicators (50%) were aligned to IRIS metrics (alignment percentage decreased as a result of indicators added to HIPSO that were not covered by IRIS).
- 2018: IRIS becomes an official observer to the HIPSO Whole Group (comprising of 28 DFIs).
- 2020: IRIS-HIPSO alignment update with a focus on deepening harmonization.
- 2021: Launch of the Joint Impact Indicators. The Joint Impact Indicators (JII) are a subset of the HIPSO indicators and the IRIS Catalog of Metrics in topics that are common across investments, including Gender, Jobs, and Climate.

The JII provide the shared high level-indicators that impact investors can use to measure and report on their activities across sectors, themes, and/or categories. For detailed understanding of impact performance in specific sectors, themes and/or categories, impact investors use IRIS+ Core Metrics Sets.

The JII represent a major step forward for harmonized impact measurement and reporting. Offering an important opportunity for widespread adoption and use of effective impact metrics, the JII help reduce reporting burden on investees and increase availability of comparable impact data to inform decision-making. Click here to view the [Joint Impact Indicators](#).

## What's Next

HIPSO and IRIS+ are committed to continued harmonization and progress towards data clarity and comparability.

Development and adjustment of the Joint Impact Indicators will be overseen by a Steering Committee composed of members of HIPSO, GIIN, and other impact investing representatives. The GIIN and HIPSO will manage the Joint Impact Indicators which are housed in IRIS+ and HIPSO.

To contribute to ongoing IRIS+ developments and impact measurement and management field building efforts, contact [iris@thegiin.org](mailto:iris@thegiin.org)



[info@thegiin.org](mailto:info@thegiin.org)

[www.thegiin.org](http://www.thegiin.org)

[🐦 @theGIIN](https://twitter.com/theGIIN)

© 2021 Global Impact Investing Network. All rights reserved.

These materials do not constitute tax, legal, financial or investment advice, nor do they constitute an offer, solicitation, or recommendation for the purchase or sale of any financial instrument or security. Readers should consult with their own investment, accounting, legal and tax advisers to evaluate independently the risks, consequences and suitability of any investment made by them.

The information contained in these materials is made available solely for general information purposes and includes information provided by third-parties. The GIIN has collected data for this document that it believes to be accurate and reliable, but the GIIN does not warrant the accuracy, completeness or usefulness of this information. Any reliance you place on such information is strictly at your own risk. We disclaim all liability and responsibility arising from any reliance placed on such materials by any reader of these materials or by anyone who may be informed of any of its contents.