

## International Symposium on Utilizing Dormant Assets for Social Issues

Monday, 13th May 2019  
15:10 pm – 18:00 pm

**TENTATIVE**

<Opening>

Video Speech

Ms. Mims Davies/Minister for Sport and Civil Society, Department for Digital, Culture, Media & Sport (United Kingdom)

Keynote Speech

Mr. Mitsuhiro Miyakoshi/Minister of State (Japan)

Panel Discussion Part1

Ms. Alena Levitz/Executive Director,

British Columbia Unclaimed Property Society (Canada)

Mr. Kenneth Jordan/Principal Officer for Finance and Dormant Accounts,

Department of Rural and Community Development (Ireland)

Ms. Claire Etches/Head of the Dormant Assets Team, Department for Digital,

Culture, Media & Sport (United Kingdom)

Mr. Alberto Padova/Chief, Strategic Engagement and Policy Integration Branch,

Financing for Sustainable Development Office,

DESA (United Nations)

Ms. Miho Matsushita/Director, Office for Utilization of Dormant Deposits

Cabinet Office (Japan)

(Moderator for panel discussions)

Panel Discussion Part2

Mr. Kevin Mccort/CEO, Vancouver Foundation (Canada)

Mr. Terence O'rourke/Chairman, Social Innovation Fund Ireland (Ireland)

Mr. Daniel Brewer/CEO, Resonance Ltd. (United Kingdom)

Mr. Masaya Futamiya/Chair, Japan Network for Public Interest Activities (Japan)

Ms. Miho Matsushita (Moderator)

Closing Session

Mr. Mitsuhiro Miyakoshi/Minister of State (Japan)

Ms. Claire Etches/Head of the Dormant Assets Team, Department for Digital,

Culture, Media & Sport (United Kingdom)

Mr. Alberto Padova/Chief, Strategic Engagement and Policy Integration Branch,

Financing for Sustainable Development Office,

DESA (United Nations)

Mr. Masaya Futamiya/Chair, Japan Network for Public Interest Activities (Japan)

Mr. Hiroshi Tawa/Director General of the Cabinet Office (Japan)

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<Notes>

**This minutes is provisional.**

**Parts shown in *italics* are edited based on simultaneous interpretation from Japanese to English. If necessary, please refer to Japanese version.**

**MC (Ms. Mayuko Magata):**

*Ladies and gentlemen and the audience, thank you very much for waiting for so long. At this moment, I would like to start the program for International Symposium on Utilizing Dormant Assets for Social Issues, hosted by the Cabinet Office of the Japanese government. I have a pleasure serving as the MC for the program, [my name is] Mayuko Magata. I look forward to your kind attention.*

*First, Minister for Sport and Civil Society Department for Digital, Culture, Media and Sport of the UK government. We have a video message from Ms. Mims Davies. We would like to present the video at this moment. Please pay attention to the screen in front of you.*

**VIDEO SPEECH – by Ms. Mims Davies, Minister for Sport and Civil Society  
Department for Digital, Culture, Media and Sport of the UK government**

I am delighted to be asked to be part of such an important event that brings together experts from around the world, showing best practice on how to use dormant access to improve the lives of some of the most vulnerable in society. I hope those of you at today's symposium have had a chance to learn from each other and better understand both the challenges and the wonderful opportunities that setting up a dormant asset scheme can offer. I'm proud of our own dormant asset scheme which has been running for almost a decade, but it is encouraging to know that many other countries around the world recognize how beneficial it can be to use dormant asset accounts for social good.

From the small number of banks and building societies who first signed up in the UK, there are now 27 organizations involved with consumer rights at the heart of the voluntary scheme. This success is due, in part, to the fact that the customers can reclaim their money in full and without an end date, so it doesn't matter how long it

takes for someone to realize they've lost contact with an account they owned or stood to inherit.

Another principle is that firms should put in place robust measures for tracing customers they no longer have contact with. Only when every reasonable effort has first been made to reach out to a customer should their asset be transferred into this kind of scheme. And from early forecasts of that being around 400 million pounds worth of lost accounts, more than 1.2 billion pounds has been transferred into the scheme. Of that, over 660 million has so far been made available to support a range of good causes, creating a lasting positive impact on people and communities across the UK.

In England alone, the world's first social investment wholesale bank, Big Society Capital, has invested hundreds of millions of pounds from dormant accounts. These investments have provided more than two thousand vulnerable people with somewhere to live and more than 26 thousand disadvantaged young people, job and training opportunities. Building on these successes, the government last year announced that further 145 million pounds from dormant accounts will be distributed through 2 new independent organizations. Fair4allfinance will use 55 million pounds to increase access to fair, affordable and appropriate financial projects for services for vulnerable people. And the Youth Futures Foundation will deploy 90 million pounds to support the most disadvantaged young people far from the labor market into employment. These organizations all lie outside of government. This allows them to take long term strategic approaches to tackle these entrenched social issues. We believe that this independence is critical to each organization's success, but it means we have less control of how the money is spent. To address this, we have established pioneering governance modules ensuring that these private sector organization operate very much for the public good.

The success of the current scheme has also encouraged the government to look at how it could be expanded to include a wider range of assets. This work began back in

2016 with the establishment of an independent dormant asset commission which reported to minister in 2017.

Building on the commission's recommendations in 2018 four senior industry champions were asked to develop an expansion plan for banking, insurance, pension, investment and wealth management and securities. The champions presented the blue print for expansion to the government in April. Clearly an expansion cannot happen overnight. It is complex, and like the current scheme relying on strong partnerships across those sectors. It requires industry commitment or responsible reclaim fund as well as support from the general public. Government has a supporting and enabling role to play to, and we're grateful for the ongoing work of the National Lottery Community Fund as our delivery partner. Any expansion would also be an opportunity to further strengthen connections between industry, government, and civil society.

We've learned from our experiences of the current scheme and this will take time and effort. But we also know that these efforts can reap significant rewards and build a legacy of helping those in needs. The UK would continue to provide support and expertise on this important and exciting agenda, in particular on how to use dormant assets for social good.

I look forward to hearing about the event and the next steps on further global collaboration. Thank you very much.

**MC (Ms. Mayuko Magata):**

*We've had a video presentation/a video message by Minister Mims Davies. Next, we would like to ask Mr. Mitsuhiro Miyakoshi, Minister of State, for a keynote speech. It seems that he has just arrived. So, Minister of State of the Cabinet Office, Minister Miyakoshi, will deliver his keynote speech at this moment. The floor is yours, Minister.*

**KEYNOTE SPEECH – by Mr. Mitsuhiro Miyakoshi, Minister of State, Japan**

*Good afternoon, I am Mitsuhiro Miyakoshi, State Minister of Cabinet Office. Thank you very much for joining us at the International Symposium on Utilizing Dormant Assets for Social Issues. This symposium is the first ever attempt in Japan to invite many panelists from overseas to discuss the topic and we have the participation of a large audience. As a host, I am deeply grateful to you all for coming. At the outset, allow me to speak a bit on Japan's scheme and potential issues.*

*Having gone through the changes in the economy and social structures, such as aging, lowering birthrate, population migration and rapid digitalization, etc., each country faces challenges of realizing sustainable economic growth or correcting economic disparities, as well as issues of poverty reduction, social inclusion and the achievement of a society with a high degree of wellbeing. These are common challenges for mature economy like Japan and for developing economies, although the substance or the depth of the issues may vary. In order to cope with social issues that are becoming increasingly diversified and complicated, the national and local governments of respective countries are working on various approaches, and steady progress is being made by NPOs, charities, private companies and others. On the international front, at the UN summit on sustainable development in 2015, the 2030 Agenda for Sustainable Development was adopted, which was an action plan for human beings, the planet and prosperity consisting of 17 goals. Solving social issues such as SDGs requires a huge funding. An UN-affiliated organization estimates that achieving SDGs by 2030 would require 5 to 7 trillion dollars per year. Even larger funds are needed to solve the entirety of social issues. It is unrealistic and not necessarily appropriate to imagine that any economy and society will be able to finance these solutions only with public funds. The perspective of utilizing funds, human resources, competence and expertise in the private sector to solve social issues has come to be indispensable.*

*In Japan, thanks to the Abenomics conducted since the end of 2012, a long economic recovery has been experienced and is continuing. On the other hand, with the super aging of the population, social issues are getting more complex and diverse, including those concerning NEET, alienation, child poverty and abuse and so on. The national and local governments are taking measures to address these issues. Although responses should be tailored and given on a case-by-case basis, it is true on the other*

*hand that the administration, which has to ensure fairness and uniformity, faces difficulties in making proper responses to all issues one by one.*

*Under such circumstance, Japan launched in 2019 a program to provide funds to private organizations working on solving social issues by the utilization of dormant deposits unclaimed for more than 10 years. This mechanism covers three fields of activities, namely, activities to support children and young people, activities to support people with daily living difficulties, and activities to support communities experiencing social difficulties. Funds are provided through grants or loans for those activities by the utilization of dormant deposits. By deploying dormant deposits, which are people's assets, to assist private organizations' activities that are hard for the national and local governments to handle, we are aiming to solve social issues and thereby enhance benefits for the public in general. The mechanism to utilize dormant deposits unclaimed for a long period of time has been introduced in many countries in the world. Some countries use such deposits to replenish their national or state revenues and there are also regions and countries of some panelists here: although the number may be small, that use dormant deposits for the purpose of solving social issues. It is true that experiences of these overseas predecessors had driven Japan's discussions toward the establishment of the mechanism. It is usually the case in Japan to have new legislation be initiated by the administration, but regarding this mechanism, a suprapartisan group of Diet members with a strong passion led the initiative and enacted the legislation at the end of 2016. I heard that some parliamentary members insisted on the allocation of the funds as national revenue, but the enthusiasm and outstanding leadership of this suprapartisan group and support from diverse parties engaging in the solution of social issues led difficult negotiations and eventually enacted the legislation. The law is subject to review in five years' time. By then, we are required to develop and radicate this mechanism and achieve results to have people broadly understand the benefits.*

*After the lapse of a two-year preparatory period since the enactment of the law, the scheme of utilizing dormant deposits for grants was finally commenced in fiscal 2019, which started in April 2019 and ends in March 2020. In January 2019, JANPIA was designated as the only organization to select organizations to distribute funds and oversee operations of such organizations. The Chair of JANPIA, Mr. Futamiya, will join*

*us at Panel 2 later. JANPIA, which handles dormant deposits, or people's assets, is expected to provide grants fairly and neutrally taking the high moral ground. At the same time, JANPIA intends to work closely with Japan Business Federation, labor unions, as well as the financial industry and social sector, with total cooperation and participation, and is expected to have a significant potential to spur a momentum towards the solution of social issues in Japan. JANPIA also intends to provide grants to traditional NPOs well-rooted in local communities that have steadily made efforts, as well as to activities that will promote social innovation. The scheme just launched in Japan is open to anyone, covering highly motivated social entrepreneurs and local traditional organizations working passionately, as well as corporate employees and workers who have had no particular interest in social issues and people without experience as volunteers.*

*Not only in Japan, but also globally, utilizing diverse funds and human resources in the private sector for solving social issues, thereby stimulating social activities has become recognized as a challenge. Against such background, utilization of dormant deposits can be considered as a global initiative worth working on. We have invited speakers from countries and regions where dormant assets are already used for solving social issues. We hope to discuss and share their experiences, such as the backgrounds and mechanisms of introducing relevant schemes, successful cases and future challenges. This will provide a hint for further improving their mechanisms and also a hint for making use of dormant assets to countries that have yet to introduce a scheme or are currently allocating dormant assets as national revenue. I am sure that many suggestions will be provided to the attendees here who are engaging in solving social issues in various ways.*

*We have received a video message from Minister Davies from the UK. We here have guests from national governments or organizations in charge of distributing dormant assets from the UK, Ireland, British Columbia in Canada, and the UN. They have come to attend this symposium to share with us their experiences in utilizing dormant assets and deposits. Once again, I would like to thank them for their deep understanding and cooperation. It would be a great pleasure for me as a host if today's symposium turns out to be mutually informative and triggers new actions for solving social issues and achieving the SDGs. Thank you very much for your attention.*

**MC (Ms. Mayuko Magata):**

*Minister Miyakoshi, Thank you. At this moment, we would like to prepare for the upcoming panel discussion, if you could please bear with us for a moment.*

## PANEL DISCUSSION PART 1

**MC (Ms. Mayuko Magata):**

*I believe we are ready. We would like to ask the panelists for panel 1 to come on stage. At this moment we would like to set panel discussion 1 part 1. Part one is titled "Challenges and Lessons Learned with Respect to Utilizing Dormant Assets". We're going to have several panelists to discuss the current status of the scheme. Ms. Matsushita, Director of the Cabinet Office, I'll over to you. You'll be serving as a moderator.*

**Moderator (Ms. Miho Matsushita):**

*Thank you very much. I am Miho Matsushita, Director of the Office for the Utilization of Dormant Assets of the Cabinet Office. It is a pleasure for me to serve as a moderator, thank you.*

*As Minister Miyakoshi mentioned in his keynote speech, today we have panelists to discuss how to utilize dormant assets for solving social issues. We have invited government officials and persons representing relevant organizations to have discussions from the perspective of policymakers as Part 1. I will first introduce to you Ms. Alena Levitz.*

*Ms. Levitz has been serving as executive director since 2011 for the organization to manage unclaimed assets in British Columbia, Canada established in 2003. She's actively engaged in the formulation of strategy, running operations and is also head of legal affairs. She was strongly recommended by the provincial government. Thank you for coming.*

*Next, Mr. Kenneth Jordan. He's Principal Officer for Finance and Dormant Accounts Department of Rural and Community Development and it's said that the organization*

*has recently compiled a report on the Irish dormant asset scheme. He's been responsible for many services in many ministries with the Irish government. Thank you.*

*Next, Ms. Claire Etches. She's Head of the Dormant Assets Team, Department for Digital, Culture, Media, and Sport of the UK Government. She has served more than 20 years as a civil servant for the government in the UK. After serving for foreign services interior affairs, she's been heading up the dormant asset scheme for the UK Government since 2015.*

*Next, Mr. Alberto Padova. He's Chief of Strategic Engagement and Policy Integration Branch Financing for Sustainable Development Office, at the United Nations Department of Economic and Social Affairs (DESA). He joined the UN as development economist and has worked in the organization in different capacities for over 25 years. He's been working on SDGs issues. Thank you.*

*And as I said, My name is Matsushita. I am a panelist as well as a moderator. Without further ado, I would like to ask each of the panelists to briefly introduce themselves and respectively outline their scheme for the utilization of dormant assets, when and how the scheme was introduced, and how it has changed. Three minutes each please. Over to you: Ms. Alena Levitz from British Columbia.*

**Ms. Alena Levitz:**

Thank you. Good afternoon everybody. I am the Executive Director of the BC Unclaimed Property Society from Vancouver, Canada. Our office oversees is the administration of the unclaimed property program for British Columbia. It was created in 2000, which was when legislation came in and the society was created in 2003.

For those 3 years, the program was administered by the government under the ministry of finance. In 2003, the province approached Vancouver Foundation, which is the largest foundation in Canada to set up the society as the partner between the province, Vancouver Foundation, and the British Columbia Unclaimed Property Society.

And the sole purpose of the society is to administer unclaimed funds. A very important role for the society is not just to collect money coming in but also to find the rightful owner of these funds. To that end, this society has legislative powers to compel information that we need if we need to locate somebody. We also have memorandums of understanding with several government agencies that allow our office to have access to databases only for the purposes of looking for the rightful owners. So, we can see the name, the address, very basic information – we don't see anything beyond that.

We do use this, and one of the very unique features of the society and this is the requirement is that every time an account comes into our office and it's more than 200 CAD, even if the financial institution or pension fund holder, even if they attempted to locate the owner already, we have to try again. So, our staff would first thing they do is immediately try and access those databases and try to locate the rightful owner. We're often very successful and the reason we're successful is that people really do keep that sort of information quite current so we reunite quite a bit more than when this program was with the province and we're quite proud of that.

Of course, the second interesting feature is that British Columbia is the only jurisdiction in North America that has a component of social and philanthropic distribution. Every year, we transfer portions of funds that we know would be unclaimed to the Vancouver Foundation for philanthropic purpose. It's again the only jurisdiction in North America that has this program, and certainly the only one in Canada. We're the first unclaimed or the first dormant program in Canada that was introduced, so we were the first and quite a leader, and we're quite proud of it. I can certainly attest that this program works. It works very well. It runs very smoothly now. We've been in business for quite some time, so we're really happy to share that experience.

Our population is about 5 million in our province so it's much smaller than Tokyo. And just to give you a sense of numbers, the entire database, if you were to look online, we show about 160 million CAD in dormant assets. So, these are accounts that go back all the way to the 1800s. We also have no limitations statutes, and funds are

always available to be claimed to the rightful owner. That was a very important feature for the province to have the trust of the people who remit money, that it wouldn't be misused or somehow forgotten. So, this is a key portion.

**Moderator (Ms. Miho Matsushita):**

*Thank you so much. Now let's move on and hear next from Ireland. Mr. Kenneth Jordan, would you like to take the floor.*

**Mr. Kenneth Jordan:**

Thank you very much. It's a pleasure to be here today. My name is Kenneth Jordan and I work in the Department of Rural and Community Development and this is a very new department in Ireland. We were established only two years ago when the cabinet minister was appointed, due to the emphasis the Government is placing on rural economic development, social development and community development. And we took over responsibility for dormant accounts fund at that time. I speak today very much from the policy perspective and trying to manage this at government level, so a different perspective.

Our legislation is almost 20 years old, so 2001 is when the legislation was brought in, and like the UK and Canada and the first part of the legislation is that the account holders should be traced and reunited with their money and that is the main aspect of the legislation. When that's not possible, the money is transferred into the dormant account fund, which is the fund that we manage and use for social purposes. Obviously, I was not in the department where the legislation was enacted, but you can look at the debates in the parliament and it's very clear that there was a cross-party consent that the money must be used for social good. And it's interesting just hearing your minister speak now that in Ireland's the perspective is that that people have already paid their tax on this money and that is now to be used only for social purposes and not as tax money would be used. So it is seen as very discrete or different to general taxation and that is something we have to focus on very strongly on how we use that money.

Similar again, account holders at any time can take their money back if they have identified that they have a dormant account. So, again, we're a small country. We have got 5 million people. Since the fund was established, there was 1 billion euro moved into the fund, and of that 1 billion euro, 300 million has been reclaimed by account holders. So, account holders know that they can reclaim that money at any time. A very similar figure, 350 million has been used to support social good, social matters, so that's a very big resource in quite a small country.

How we do this, is that the government department and the government minister put in place an annual action plan, so each year he asks other ministers to put forward proposals and he then assesses those proposals and he decides what projects are funded. Terence, my colleague from Ireland, will be in the second part. One of the big organizations we fund is the Social Innovation Fund Ireland, and is to administer the projects the minister decides to be funded. And the users are very broad. We do things like support for prisoners exiting prison, support for drug users and social innovation as I mentioned. We invest in sport facilities in deprived areas, so a huge array, and when we talk challenges – that is one of the challenges. We introduced that almost 20 years ago, and it still has very broad political support. I've been in parliament committee's twice in the last 2 years talking about the fund and the use of fund. So, I think 20 years later there is still strong political support and agreement that the fund is a good thing and it's used for social innovation and social measure is also a good thing. Thank you.

**Moderator (Ms. Miho Matsushita):**

*Thank you so much. Now let's go to hear from the UK, Ms. Claire Etches. We just received the video message from Minister Davies. Would you like to take the floor?*

**Ms. Claire Etches:**

Good afternoon, everybody. I'd like to thank the Cabinet Office for arranging this and for Minister Miyakoshi for opening this event. I think it's a hugely exciting opportunity for everybody to start working together in a really collaborative way and I hope this is the start of a real long-term program of work for all of us.

The dormant asset scheme in the UK has now been running as our Minister said for almost 10 years. Back in the early 2000s, there was a lot of debate about how better to utilize dormant assets that were sitting untouched in bank and building society accounts. Legislation was passed in 2008 and the first money started being transferred over in 2011. At the start of the scheme, there was a lot of consultation that was carried out with the general public and with potential participating firms. Our scheme has some underlying principles. It is voluntary. Customers can get their money back at any time and in perpetuity there is no cut-off point.

There was a lot of debate about which asset should be included and it was decided at the outset to start with the most straightforward accounts, bank and building society accounts.

To begin with, there was estimated that there was possibly around 400 million pounds in dormant assets and we've far exceeded that. We're already at more than 1.2 billion pounds, which is really quite an incredible result really, and not one that we were really expecting. And that money can be used in three ways as set out in our legislation. It can be used to support social investment, youth and financial inclusion. The scheme is not a government-owned scheme. The legislation sits with our treasury department, so finance ministry, but it's very much in industry-led initiative. And at the outset it was very important to identify three or four of the big banks and to encourage them to participate. Once they signed up, very quickly almost all of the main high street banks followed. So, we started off with around 12 banks signing up. We now have more than 27. More banks are starting to become eligible for the schemes, so it's quite likely that that number would continue to grow. Of that 1.2 billion, that money is administrated by Reclaim Fund. We have the chief executive here in the audience and he'll be around this evening if you have any questions for him about how Reclaim Fund operates. None of the money comes on to the government books, it's transferred from banks and building societies to the Reclaim Fund and then onwards through the National Lottery Community Fund and for the England portion of the money – because

it is split between the four countries in the UK: England, Scotland, Northern Ireland, and Wales – and for the English portion it's managed by Big Society Capital.

And today more than 600 million pounds is being made available for good causes and it's an incredibly important cornerstone of how society has supported in helping some of the most vulnerable young people in terms of employment opportunities. It's helping people at risk of getting into debt because of high credit loans and. It's an ongoing process and we will talk later about future plans but like Ireland which has cross-party political support for this, our scheme started its life with a labor government. When the money started to flow we had a coalition government. Now we're looking at next steps, that's under a conservative government. And I think that's an incredibly crucial part of any successful scheme, that there is cross-party's buy-in. It's not without its challenges which we talked about, but the successes it reaps really can't be underestimated. So, thank you and I look forward to the rest of the discussion.

**Moderator (Ms. Miho Matsushita):**

*Thank you so much. Then, Mr. Alberto Padova from the UN, I know that the UN does not directly have a scheme for utilizing dormant assets, but could you explain how the UN procures funds for solving social issues?*

**Mr. Alberto Padova:**

Thank you very much. Indeed, we do not have such schemes at the UN, but I can bring a broader perspective. Let me start by thanking the Government of Japan for the kind invitation and for the opportunity to join this panel, and also recognizing the Government of Japan's leadership in the area of innovative financing, not only for the organization of this meeting, but also in its leadership as a president of the Group of 20 countries this year, which will hold a summit this June, as well as this year's chairing of the Leading group on Innovative Financing for Development.

So, why is this type of scheme important from the point of view of the UN? As Minister Miyakoshi has mentioned, the SDGs, to which all 193 members of the United Nations agreed to in 2015 for the deadline year of 2030, is a very ambitious and universal

agenda, as opposed to the previous one which was called the Millennium Development Goals, which focused mainly on developing countries. This very ambitious agenda with 17 goals requires a huge amount of financing. There are different estimates of how much is needed – you heard Minister Miyakoshi mention 5 to 7 trillion per year. No matter what the actual need is, there is a huge gap between the resources that are needed and the resources that are available currently. But it is not only a matter of resources, it is also a matter of the policy frameworks, both at the national and at the global level that will enable all countries to achieve the goals that they have set for themselves.

So, the use of dormant assets for social causes is a very good example, from my point of view, of a very interesting and innovative mechanism that can contribute to the range of resources that are needed to achieve the goals by 2030. What we see at the UN is that both in terms of scale and in terms of speed, we are not on track to achieve the goals by 2030 at this point. In other words, if things continue business as usual, we will not achieve the goals. And that is why it's so important that we not only make sure that everyone is aware of the urgency to act towards the goals, but also that we are creative and innovative in terms of the steps that we take. And so we see innovative financing as a very important additional source of funding for the 2030 agenda. I will stop here, and I thank you.

**Moderator (Ms. Miho Matsushita):**

*Thank you. I am also a panelist, so I would like to share with you the scheme available in Japan as information supplementing the speech by our minister. The scheme was finally put into operation in 2019. Providing funds for organizations those deploy activities to support children and young people or people with daily living difficulties and to revitalize local communities, will start within this fiscal year. It is not that the government directly grants money. This is a scheme under which a single organization designated by the Prime Minister based on the law, JANPIA, publicly seeks intermediary organizations that distribute funds to organizations, and then, accredited intermediary organizations publicly seek and select fund recipients and provide funds. It was decided that a total of 3 billion yen at the maximum would be granted for*

*projects to be adopted within this fiscal year. The very first scheme in Japan is just starting. We have heard explanations that 10 to 15 years have elapsed after the introduction of the relevant schemes in British Columbia, Ireland and the UK and they have been successful. Compared with these countries and regions, Japan is a newcomer and all of you are our seniors. So, I will ask questions and advance discussions from the standpoint as a newcomer.*

*As all of you have explained, schemes vary in detail, such as how many years would be needed to designate a certain account to be dormant, the coverage of assets, and the usage. However, there's a commonality of using those funds for the purpose of solving social issues. So, I would like to ask what kind of difficulties and challenges you have faced so far and how you have overcome them. Ms. Levitz from British Columbia, could you start?*

**Ms. Alena Levitz:**

Thank you. Well, one of the challenges that we have had over many years since 2003, since we began our program is often legitimacy. Not everybody in British Columbia knows that the society exists and not everybody knows what we do. So often when we attempt to find the rightful owner or contact somebody, they're not quite certain that this is an above-board organization and should they really be replying to us. And with that, given the time that we all do business and people are naturally cautious about sharing information with us. So, we go to great lengths to assure members of the public and the provinces of British Columbia that we adhere to very high and very strong standards of privacy, information protection, data protection. We do spend quite a bit of money internally as an organization to make sure that that's always current. We would never want some sort of reputational harm or damage to come because it would affect the trust, not just of the members of the public, but the companies that hold the money and have to trust you once they remit these funds to you to operate.

In the best sense of the words, I'm happy to say we've never had an unfortunate incident. I would say that we also spend quite a bit of time on resources in raising media awareness about our society, what we do, we would spend time and money

going to industry groups that I'm speaking to organizations, conferences and also local media within British Columbia. We do try and garner awareness for the program so that people have a high level of trust, both those that remit money and those people claiming funds. Both parties need to be sure they that they are claiming from a legitimate organization.

**Moderator (Ms. Miho Matsushita):**

*Thank you very much. Now let's continue by hearing from Mr. Kenneth Jordan from Ireland. Ireland has Department of Rural and Community Development that plays a role of formulating plans jointly with other ministries and agencies and distributing funds. So, the Irish scheme may be a bit different from other schemes, but what have been the challenges you have overcome so far? Have any challenges been pointed out by some other entities?*

**Mr. Kenneth Jordan:**

Plenty of challenges. We do not have the structure that you mentioned of a single organization. So, a government department administers the fund or the government departments put forward measures, and as a result we have to oversee of all of these other departments and all of these measures or projects. So, the challenge that we have really is ensuring good administration and transparency and oversight of each of those projects.

How we do is we need twice a year and we run down through the high level of a list of projects and get guarantees from everybody that all the projects are going well. If there are not we follow up, we investigate. It is a big challenge for a government department and I think the model you propose for Japan for me makes more sense of having an agency that delivers these types of projects.

One of the other problems we have in 2008 and so far in economic recession like most countries and the fund was used very strongly for employment creation measures. So we spent maybe 80 million in 2008 and that was a large of money from the fund and then the following years there was less money available, so we have a challenge now,

to try and get a stable sustainable level of funding and we have agreed with what the minister we have now a plan for the next 3 to 5 years, so I think long term planning is another challenge. When there is a problem that needs to be addressed, the fund can be used, but needs to be used in a stable way each year.

The last one I would raise that relates strongly to the previous speaker and awareness is an issue. Projects that we fund and some projects that we fund with a lot of money by the time it gets to the final user, people are maybe not aware that the money came from the dormant account fund. So, it's a challenge we're trying to address through national events like this today where people who have been funded come and talk about how they have used the money. And also, we have guides, etc, but that is one of the key challenges that I think is particularly for you because you are new is to make sure that there is a link between the fund and its users and what has actually happened on the ground is very important. Thank you.

**Moderator (Ms. Miho Matsushita):**

*Thank you. Ms. Etches from the UK, what is your point of view? The announcement of the measures in January 2018 may have been a good turning point for your country. Can you share with us the relevant background?*

**Ms. Claire Etches:**

Yes, thank you. In the UK, we have many different charities of different sizes. Some are national charities, some are smaller charities, and dormant asset is a very well-recognized source of financial funding. And one of the challenges is really being able to ensure that dormant asset money is used as effectively as possible. I think there was a temptation to try to please as many organizations as possible by giving out relatively small amount of money, but in the end that becomes a very short-term opportunity and I think one of the challenges is how do you make sure that the money that is distributed is really going to see systemic long-term changes in people's lives and outcomes? And so what we started doing last year and the government was starting to do some thinking about how, with the new allocation of 330 million pounds, we could do something a bit more strategic in how to use that money. And what we

have ended up with are two independent organizations. We've supported it, but they are not government-run, they are not government-owned. They're completely independent of government. There is one on youth, there is one on financial inclusion. Both set up to address such really complex challenges for the most disadvantaged in society.

We're in the very early stages of doing this. The organization were only announced at the beginning of this year, and again this is a long term endeavor, but what we hope to see are very positive outcomes for disadvantaged young people in terms of seeking employment and people who have got themselves into financial difficulties entering debt and the financial support that they might receive.

I think it's very important to say that none of this can be done in isolation that the key to the success of any work of this type is partnership working, developing relationships with other organizations with expertise in this field. So for example with the financial inclusion organization Fair4AllFinance, there's partnership working with the financial conduct authority which is the financial regulator, but also working with enterprises and with the private sector, and with businesses because the more buy-in you have from across different sectors, the more likely you are to really succeed and bring about something that is genuinely collaborative is likely to succeed. And there was a lot of consultation beforehand, talking with lots of different people about how this might work and I think that's the key to the success of I think both of the organizations.

**Moderator (Ms. Miho Matsushita):**

*Thank you. So, let's continue by hearing from Mr. Padova from the UN. The UN must be facing many arguments on how to procure funds for achieving the SDGs. How are you developing discussions at the UN, please?*

**Mr. Alberto Padova:**

Indeed, as I mentioned, the required funding of the SDGs is massive and if you look at the whole set of SDGs, whether it is eliminating poverty or providing quality education for all, or good health care for all they're really very ambitious goals. So, all

components of traditional funding, private, public, domestic and international are needed, as well as enabling policies. But innovative sources are also needed. With regard to innovative sources of funding, I think one of the challenges that we face is bringing them up to scale. So for example, the use of dormant assets for social issues is very interesting. How do we bring it to scale so that it can really have a significant impact?

And so, I think that occasions like this, where you bring together countries that have had this type of schemes for several years with countries that are interested in exploring such initiatives, are especially useful not just for peer learning but for others to benefit from those experiences and also to consider implementing similar schemes. And this I think it's not only a scheme that can be relevant for developed countries like the ones that we have on the panel today but perhaps also for middle-income countries that have the technology and the capacity that can also be applied to this type of scheme.

And the other question that we could consider is, so far we've heard that the assets that have been used in these schemes are only used for domestic purposes, but maybe the question can be posed of whether these could be part also of international development cooperation for the most urgent needs of developing countries, especially those particularly vulnerable such as the least developed countries, the small islands developing states or the landlocked developing countries. So, these are some of the challenges that we face and the things that we could reflect on. Thank you.

**Moderator (Ms. Miho Matsushita):**

*Thank you. So, we learned today that there are many challenges out there. I have a further question. We have just heard that the key to success in British Columbia, the UK and Ireland is reassurances and credibility that account holders can reclaim their account at any time without any limit. We are just about to start the scheme in Japan, and it is said that dormant deposits worth 120 billion yen are generated every year and 50 billion yen of which will be refunded. As a result, the net amount of dormant*

*deposits will be some 70 billion yen per year. So, the scheme is to be commenced at a scale of 3 billion yen for the initial fiscal year. While ensuring credibility that accounts can be reclaimed at any time, how much money will be available for the fund for one year should be the key point to be determined by trial and error. In the case of British Columbia, it was explained that there is an agreement between the provincial government and society, as I understand. So how do you strike a balance here? You have to secure sufficient funds needed for solving social issues and at the same time have to reserve a certain amount to respond to claims for refund. Could you give us an explanation?*

**Ms. Alena Levitz:**

That's an excellent question. We have had the society running for almost 16 years and of course we revisit that issue every several years. How we handle this issue is that we have a formula set out by actuaries whereby every year we transfer a certain amount of funds that are available to Vancouver Foundation for charitable use. We can revisit that formula as we have quite a bit of fluctuation in money that we receive year over year – It's not very constant in British Columbia. So, some years, quite a bit is available, and some years quite a bit less is available. So, we're trying to find something in the middle. We all prefer consistent funding. I'm sure you all can appreciate that in this room. it's not desirable to have big swings where you have very little one year, this tremendous amount another year, and charities also who are receiving these funds appreciate more stable funding. So we do have a formula. It's created by actuaries, not by me, and we are open to revisiting it and the provinces is as well.

The goal in British Columbia is of course to reunite lawful owners, but also to make sure that money is used for charitable purpose. The goal is not to grow a large portfolio for the society to have a big reserve of money and this is where we hope our formula strikes that right balance.

I think what you're projecting is quite a bit more money than we have in British Columbia, but the idea is always the same. We look at how much we think might be

claimed , we have a bit of feel for it but we do have a set formula and every year we have a board of directors, and the board would approve that formula. So we have several sets of eyes that look at that formula and then I go back to the fact that it fosters a strong sense of trust among people who look how the society functions, how does it run, it's not one person setting the formula, one person approving the formula, one person signing the check. We have several sets of eyes who look at that so I think that's also very important.

**Moderator (Ms. Miho Matsushita):**

*Thank you so much. so, any other panelists? Do you have any questions that you'd like to ask your fellow panelists amongst all of you?*

**Mr. Kenneth Jordan:**

Just in Ireland we have an independent treasury management agency, and they make that decision so again it's actuarial, but the decision is not made by the government. It's made by an independent agency. And maybe Japan will be the same. You see a very stable reclaim rate and it harnesses 25 million per annum but it is perhaps a surprise in how big the fund is really. A lot of money to us to come into dormant accounts even still, even 20 years later new dormant accounts are arising.

**Moderator (Ms. Miho Matsushita):**

*Thank you. Anything else amongst the panelists? Do you have any questions that you would like to ask for fellow panelists? Mr.Jordan.*

**Mr. Kenneth Jordan:**

Just to ask Claire. The example you brought of access to finance which in Ireland is a big issue for poor people in society. Interest rates are very very low but the poor in society pay very high interest rates. I'm just being interested in hearing a bit more about how the fund is used and is that grant aid or a repayable part of the fund? How is that going to be managed, that aspect?

**Ms. Claire Etches:**

It's still in the very early stages. And again because this is independent of government, it's for the organization themselves to decide how they want to utilize the dormant accounts money that they have coming in. So, on financial inclusion they have 55 million pounds and the chair of that organization is now working to decide how best to support people for that bill. I think for us this is in a very early stage of development and I think we'll know more towards the end of the year exactly how that's going to work.

**Moderator (Ms. Miho Matsushita):**

*Thank you. A while ago, Mr. Padova said that not only within one's own country but outside, there are global challenges waiting to be resolved and how to secure funding for solving social issues outside of one's own country is also important. If you have had any related discussions or experiences in British Columbia, Ireland and the UK, could you share them with us? Have there been any cases where any funds in your country were spent outside your country? Or if you have spent such funds only for solving domestic issues, is that because those funds are the people's assets? Anyone, please.*

**Mr. Kenneth Jordan:**

Currently, it all stays within the national territory but it is now a political issue, in particular with climate change. We had a number of climate change projects proposed last year and the problem is the legislation we have only allows for strict use on really poverty and deprivation not specifically climate change. So, I think the answer at the moment is 'no', but I could maybe see a certain percentage or some amount being set aside in the future.

**Ms. Claire Etches:**

Just to add. We're in a very similar position in the UK where our legislation is very narrow and the measure is very clear on how the money can be spent and it can only be spent for in England for English products, so on tracks of discussions in three to

four administrations. I mean this is a question that does come up but unless we change the legislation, we work within the parameters of that.

**Ms. Alena Levitz:**

And as well in British Columbia I think very similarly we have set legislation where the money must go to and those funds are to be used within the jurisdiction within British Columbia. The thinking is that these are the dormant assets of that jurisdiction therefore they should go to the benefit of that jurisdiction, so very similar to the UK I think and Ireland.

**Moderator (Ms. Miho Matsushita):**

*Thank you so much. So, let's continue and think about the potential for future. There is a lot of potential for wider usage of the mechanism of utilizing dormant assets, as mentioned by Minister Miyakoshi and Mr. Padova so far. We heard that 5 to 7 trillion dollars would be necessary per year only for achieving the SDGs throughout the world. For respective regions, and municipalities, towns and villages in Japan as well, considerably more funds will be necessary for solving diverse local issues. Human resources and expertise will also be needed in addition to funding. So, I would like to ask you about future possibilities of the mechanism to utilize dormant assets in each country or region, or your future visions. So, Mr. Padova, you have so far told us about this scheme from the perspective of achieving the SDGs, but what do you think about the future?*

**Mr. Alberto Padova:**

Thank you. I think that this type of innovation is really quite promising and encouraging because this is clearly something that has, as you have heard from the other speakers, different features in different countries but there is a common thread which is the use for social purposes. And social purposes have been the key of the 2030 agenda of Sustainable Development Goals. Most of the goals are in the social arena and so any progress that this type of scheme can make in any country does help. Everything helps.

So, indeed I think that it may be interesting promoting this type of scheme in other countries, as well as all of the other policies that I mentioned earlier. It's really a full menu of actions that are needed. It's not only funding, it's also the policies, such as trade policies and debt policies. Many countries have high levels of debt both public and private. That also impedes using their resources towards social investment. The private sector has a major role in the achievement of the SDGs. The private sector can contribute by not only doing what it does best, namely creating jobs, but also investing in sustainable investments such as for example infrastructure. But the problem is that often time horizons in the private sector are very short. And the horizons of the infrastructure investment like education, like health, like physical infrastructure is a much longer-term and so there needs to really be a change in attitudes, and governments can help by creating incentives that shift those attitudes. So there's a whole range of things that we need to do. These innovative schemes are a step in the right direction. Thank you.

**Moderator (Ms. Miho Matsushita):**

*Thank you. So let's go to UK, Ms. Etches, what is the situation in UK?*

**Ms. Claire Etches:**

So, we have for the last three years been giving some serious thoughts to how we might be able to expand this scheme beyond bank and building society accounts to include a far wider range of financial assets. And as our minister referred to in her video, back in 2016 we established an independent commission who was asked by Minister to go away and consider the feasibility of expanding our current scheme to cut across the whole of the financial services sector and they reported back to Minister in 2017 saying "Yes, we think that this is a sensible option for you to consider. There's a lot of additional potential dormant assets in insurance and investment wealth management and securities, so stocks and shares for example see 100 firms and that as the government you should go away and seriously consider how you might want to do this". So since then, officials have been working with senior industry leaders across the financial services sector on how this might actually happen in practice.

And last year Minister asked four senior industry leaders to really lead the expansion work. The government has been very clear that this is not the government's program. The government is happy to support, but to be successful it has to have commitment and buy-in from the big leading financial firms, and so for the last 12 months that's the work that's been going on. It's been the responsibility of insurance firms, investment firms, to develop the plan for how their part of the financial services sector will be able to part of the scheme. And they reported back to the minister last month saying this is how we think that we can do it. The first principle is that the scheme should remain voluntary. The second principle is that tracing verification and reunification is absolutely at the core of this and it's what we've talked about this afternoon that if you are going to run a successful scheme, you absolutely have to be able to get your own house in order first. Otherwise it is very difficult to manage your reclaim rates. In the UK, the reclaim rate has been very steady all the way through and that's because of the preparatory work that firms do before they transfer money over and that's an absolutely a key part of any additional firms joining the scheme. And it also provides customers with a much higher degree of protection because only when firms are really confident that customer cannot be traced is that is money transferred over into the scheme.

So, this is very long term and it took a number of years to get the current scheme set up and it was three years between legislation being passed to the first money being transferred over. The same would happen this time because it is important to take your time, not rushing to make sure that all the groundwork and foundations are there because then what you have is a rock solid scheme, that is robust, that gives you customers protection, gives confidence to firms that they are part of the scheme that is genuinely successful and they also have protection. So, we're not going to see any new money for a number of years because we have to amend legislation, but I very much hope that in the next three to five years we would start to see new firms signing up from across the financial services sector and money starting to flow in shortly afterwards. Exciting but challenging times, I think.

**Moderator (Ms. Miho Matsushita):**

*Thank you. So, from Ireland please Mr. Jordan. Would you like to take the floor?*

**Mr. Kenneth Jordan:**

Let's make it very quickly, I suppose about the type projects that we fund and the first thing for the future is to try and focus more on specific areas. And I think as Claire said earlier there's always that challenge of funding many small projects as opposed to some key big projects. So maybe just to get clear what the objective is and which objective we're going after, what type of project we're going after, is the challenge for us in the future.

And the other issue for us as well is the ability to leverage this money, so Terrence will be talking in the second part. We grant money to these organizations and they then get philanthropic donations and effectively double that money for social causes. So again, this is something that for us is exciting and has a lot of potential to double the value of the money that we have in the fund.

Similarly, I think some of the projects we grant fund will require grant funding forever essentially for the organization to continue, whereas others are using the money to become sustainable in their own way. We have a social enterprise trying to do what we do and again for the future I think the more sustainable grants we can give that allows organizations to become financially sustainable. That's also a very good thing in the future.

And without taking up too much time, I mentioned the awareness and communications and publicity earlier. And again for the future in Ireland we need to get a lot better at communicating the positive impacts and what we're doing with this money. So, I think for the future, it is very much around the most sustainable use of the money, potentially leveraging that money, and then also communicating better to the public about what we do with the money. Thank you.

**Moderator (Ms. Miho Matsushita):**

*Thank you. Now British Columbia next, please Ms. Levitz.*

**Ms. Alena Levitz:**

I agree with my colleagues on the podium. We would in British Columbia like to see the types of financial instruments that we are able to accept be expanded beyond what they are now. Currently, large instruments such as pension funds, brokerage accounts, insurance accounts are excluded. They are not mandatory. One doesn't have to remit to us and we really have no sense of how much of those accounts and how much that is in dollars exist in British Columbia, but we certainly have some general idea that it is a very significant amount of money and it goes unreported to us and our office, and of course therefore it never really does end up in the hands of the rightful owner. Not only that but as the secondary product those dormant accounts don't get put towards philanthropic uses whatsoever. Very often they're just being depleted in fees over time and we have no way of knowing what that looks like so it's certainly very desirable I think from our point to increase the scope of what is being remitted to the society and after a certain amount of success with the program over an amount of time I think there is some confidence that we know we are a reputable organization, we are good stewards of finances and the money is used very responsibly and for lots of social goods, so I'd certainly like to see that. And from the very self-serving point of view I'm very happy when other jurisdictions join and have a program like this so that we can go home and say "see, look what they're doing, everybody must do this". So I again congratulate and commend the cabinet office and for organizing this event for only this purpose alone.

**Moderator (Ms. Miho Matsushita):**

*Thank you. We have heard the experiences and practices of respective countries. They have undergone the trial and error period and have carefully developed their schemes through in-depth talks with stakeholders in the private sector, while obtaining understanding therefrom. We could also understand that constant efforts have been made to further improve their schemes. In Japan, a full-scale operation is about to start. Precious assets of the people are utilized for solving social issues and the*

*operation's objective is to be shared by all people irrespective of their standpoints. Therefore, it is important to involve diverse entities in the private sector, including private companies, NPOs, organizations distributing funds, and JANPIA as well, and jointly develop a scheme by trial and error through mutual collaboration and dialogues. Of course, the legislation enacted by the national government was a starting point but collective efforts to create a better scheme would be very important. So, with this, we would like to conclude Part 1.*

**MC (Ms. Mayuko Magata):**

*Thank you very much. Let us thank the members of the panel. Please return to your seats, a big round of applause again to the panelists. So part one is brought to a close at this moment. We would like to take a break for 20 minutes. Following this, we will return at forty minutes past four to start panel discussion part two. So please be back in your seats by that time. Outside of this room, in the hallway there is coffee ready for you. Please enjoy coffee, but please do not bring in the coffee inside this room. Please enjoy it outside of this room. There is no smoking area on this floor. Those of you who smoke, if you could please go to either floor 1, 2 or 3 where there are smoking areas. And when you leave your seats, please make sure to take care of your belongings, valuables and particular. And when entering the room, you would need a name tag, so please make sure you carry your name tag with you. Those of you who are planning to leave at this moment, make sure to return the interpretation equipment to the reception before you leave. Once again, panel discussion part two will start at 45 minutes past four, so please be back in your seats by that time. Thank you. Enjoy your break.*

**PANEL DISCUSSION PART 2**

**MC (Ms. Mayuko Magata):**

*Ladies and gentlemen, thank you very much for your cooperation. At this moment we would like to start part 2 of the panel discussion. Part 2 is titled "Achievements and*

*Challenges of Utilizing Dormant Assets for Solving Social Issues.” We have panelists who are relevant for the theme, fund charities and organizations who are involved in making a grant and investment, Ms. Matsushita once again, over to you.*

**Moderator (Ms. Miho Matsushita):**

*Thank you. I will be serving as a moderator again for Part 2. I am Matsushita from the Cabinet Office. The view from the worksites is the theme of Part 2. We have panelists representing organizations that provide grants, investments and loans to NPOs and charities by the utilization of dormant assets.*

*Mr. Masaya Futamiya is the Chair of JANPIA. JANPIA was designated by the Prime Minister of in January this year. Mr. Futamiya is the Director and Chairman of Sompo Japan Nipponkoa Insurance, and is also occupying important positions in Japan Business Federation, “Keidanren” hereafter, and other organizations. Next, Mr. Daniel Brewer, he established an organization called Resonance in 2002 in the UK. He’s the CEO. The organization is serving as a connector between social entrepreneurs, charities and investors, one of the leading organizations in the UK for impact investments. Next, Mr. Terence O’Rourke. He’s been involved with the establishment of Social Innovation Fund in Dublin, Ireland. He’s the chairman of the board. He’s also Chairman of an organization providing support for growth and exporting business of Irish companies. He was the head of global operations at KPMG Ireland.*

*Last but not least is Mr. Kevin McCort. He’s been CEO since 2013 for Vancouver Foundation in British Columbia, Canada. He has more than 30 years of experience in the non-private sector. Because of his contributions to resolving social issues, he’s been awarded by Her Majesty, Queen Elizabeth.*

*So again, I would like all of you to introduce yourselves and briefly explain the overview of your organizations, including notable characteristics in solving social issues. Four minutes each, please. Mr. Futamiya, could you start?*

**Mr. Masaya Futamiya:**

*I am Futamiya, Chair of JANPIA, Japan Network for Public Interest Activities. Nice to see you, all. Apart from JANPIA, I serve as a Chairman of CSR Committee at the Keidanren, as well as being a member of various other committees. I have been involved in affairs related to corporate social responsibility from diverse perspectives. I also serve as a member of a SDGs Promotion Roundtable Meetings, being in the position to spread and promote activities related to the SDGs. I have also been serving as a counselor or director at various NPOs and foundations, which are working to solve social issues. I am pleased to have an opportunity to introduce initiatives of JANPIA at this panel and also hear and learn good practices from abroad introduced by my fellow panelists today.*

*As explained earlier, the scheme of utilizing dormant deposits here in Japan intends to put to use dormant deposits of about 70 billion yen per year for the purpose of promoting public interest activities by the private sector. It is to solve social issues that cannot be dealt with by the national government or local governments and to return benefits from such activities broadly to the general public. Based on the purport of the Act, JANPIA, which has been founded by Keidanren, will serve as an intermediary between many stakeholders. Those include organizations distributing funds, implementing organizations such as NPOs, and many other stakeholders including private businesses, the administration, labor unions, and academia. JANPIA will offer support for their collaboration by an All-Japan approach, with the aim of achieving a sustainable society with “no one left behind”, in line with the philosophy of the SDGs, and handing over such society to our future children.*

*We would like to boost the activities of private sector-led-public-interest-related activities and become a catalyst for supporting people assuming challenges and using innovative means in solving social issues. We consider it indispensable for JANPIA to serve as an “open platform” and operate this scheme by an All-Japan approach in achieving social innovation. We have just begun our efforts to make this grand social experiment a success, seeking opinions from external experts and NPOs working on-site. To start up the scheme, it is necessary to first select organizations distributing funds that provide grants, loans and contributions to implementing organizations such*

*as NPOs by the use of funds related to dormant deposits. Organizations distributing funds are to be publicly sought and selected by JANPIA, the designated utilization organization, and we are now having briefing sessions nationwide, starting with the one held in Tokyo. I attended the briefing session held in Sendai on May 10th.*

*In order to solve social issues and build a sustainable future for Japan, efforts of companies that lead the economy and society are important, in addition to revitalizing public interest activities by the private sector, such as NPOs, by the utilization of dormant deposits. I am Director and Chairman of Sampo Japan Nipponkoa Insurance, one of the property insurance companies in Japan, and have been deeply involved in the issue of CSR as a manager of a private company. Through such experience, I fully understand the significance of collaboration between companies and NPOs and other private organizations engaging in public interest activities. Keidanren is now promoting a human-centered future society building called Delivering on the SDG through the Realization of Society 5.0 jointly with the national government. The entire business community is working hard with its power of innovation and creativity towards achieving economic growth and solution of social issues at the same time.*

*Some NPOs may not have sufficient funds or human resources with expertise. Utilization of dormant deposits is expected to give them good chances to develop better systems and expand the scope and scale of their public interest activities. I believe that Japan can make a unique contribution if efforts by local communities and efforts by the business community both contribute to solving social issues like two wheels on an axle and those all-out efforts also help the achievement of the SDGs throughout the world. I hope that such contribution of Japan becomes a model case that we can be proud of. Thank you.*

**Moderator (Ms. Miho Matsushita):**

*Thank you. Now let's hear from UK, Mr. Daniel Brewer.*

**Mr. Daniel Brewer:**

Hello, I'm Daniel. I'm delighted to be here again and I'm so impressed by what I've heard already today about how far Japan has gone in using its resources to invest in

its communities and for social impact. I have just met a couple of friends from one of your banks who told me that they have already invested 16 investments into social care system in Japan. So, you are already more expert in how this works, than perhaps you take credit for.

Resonance is a business I set up 17 years ago in 2002 and for the first 10 years we worked exclusively with social enterprises to support them to prepare for and raise investments. In the last seven years, we've managed to take those models and applied them in a way that has enabled us to mobilize much larger sums of money and we've become a fund manager ourselves. So, we've been able to find the solutions, pilot them, and then find ways that capital can scale a solution. It is still fairly modestly but we now have 20 billion yen of people's money that we are looking after. But more important than how big funds are is how this money is put to work. And over the last three years, we have an average of investing 4 billion yen into the hands of 20 social enterprises for each of the last three years.

So, our theory is that capital is best put into hands of enterprises that have sustainable business models and are primarily focused on social impact. The more that we can resource these social enterprises, the more chance we have, we think, of creating a better tomorrow. So our approach is to work with the social enterprises to understand the social impact that they have. Always we like to start and finish with social impact, not with the money. But once we understand the impact, we have to also understand the income, where does the money come from, where's the revenue, what's the business model, and it's only then that we have an opportunity to structure investments that helps accelerate the growth of the social impact.

Unlike many organizations in the UK, social investors, we don't have a particular product. Some are expert in social impact bonds, some are expert in secured lending. Our approach is to find the right investment structure that can serve the particular organization. We have property funds. We have loan funds. We have used crowdfunding, and we have used and invested in social impact bonds, and other payment-by-result mechanisms.

I was asked to pick out one example of something that we're particularly proud of and it's difficult for me because there are so many different things that I'm proud of for different reasons. If I have time and I think I do with my format just to share two. One is the very large, at least large for us, and the other is the very small. The thing that we are most known for in the UK is our work with a homelessness charity called St Mungo's, and over the last four years we have managed to mobilize nearly 20 billion yen from local authorities, foundations, institutional investors and even some individuals. We buy properties and refurbish them. We lease them to St Mungo's, a Housing Association, who makes these properties available to families who are currently in temporary accommodation. Temporary accommodation is basically a hotel and not a very nice one and typically you have a single parent with two or three children living in one room for several weeks. It's not a great place for anyone. We've managed to buy nearly a thousand homes now for those families so that they actually have a home that they can begin to rebuild for their lives.

However, the problem is bigger than that. There are currently 80 thousand families in the UK living in temporary accommodation. So even though our model is making some progress, we are less than 1 percent of the solution. Our desire to scale that is very urgent and from a financial perspective there is a need for over 2 trillion yen to make that possible. The second example is where we have lent money to social enterprises that are really quite small, so this is maybe 50 thousand pounds, that's 5 million yen, is that right? I think. And these are organizations that are quite young and quite innovative trying to find new solutions that are typically not for profits so they can't take equity. And there's a risk if you lend too much money to organizations that are not yet strong, that you actually make them weaker. We see this from different parts of the world where access to credit is increased and it causes sometimes as many problems as it solves. So we were trying to find a solution that's enabled us to put money into the hands of social entrepreneurs that we trust but to do it in a patient way. And so we created a product that we call a Permanent Capital Loan - it's a loan where there's no repayment date. There is an interest rate, but only according to how much the organization earns, once they achieve breakeven.

The theory is those organizations will eventually choose to pay the money back because it becomes more expensive but that could be 5, 10, 15 years away. Now we deliberately didn't want to use a grant because we found that some organizations would just spend it, claim that this was income. But this was temporary and so they were staying dependent on grants. So we wanted to find the mechanism where they could use the money but they would steward it, not spend it. I'll stop there. Thanks.

**Moderator (Ms. Miho Matsushita):**

*Now let's hear next from Ireland, Mr. Terence O'Rourke.*

**Mr. Terence O'Rourke:**

Just to say that I'm delighted to be here. We're very privileged to be at this event. It's a pleasure to be asked to share with you something we've learned in Ireland from the way we've started up our business and also one of the great things that you've done, we always have a network also we meeting each other for the first time as well. So, this is a national meeting of people learning things from each other as well as sharing this issue with you in Japan. So delighted to be here. The Social Innovation Fund Ireland was founded in 2013, and it came out of two issues which the government wanted to solve. One was the government of Ireland wanted to stimulate philanthropy. We had benefited from many years from a very rich American philanthropy, the guy called Chuck Feeney who had made his money, made many billions in duty free and he decided in late 80s that he would give away all his money. So, he gave away 8 billion dollars of which Ireland benefited for 1.3 billion. So, over about 20 years, Ireland had a very significant flow every year of money going into educational issues, another social issues in Ireland, but with Chuck Feeney's money was running out, the Irish government wanted to work out how could we replace with more local philanthropy.

The second issue the government wanted to deal with was how to get more social innovation to the system. There were very many social issues in Ireland and the government recognized that all those social problems were not going to be solved by the government alone, so there's further need to harness the best ideas that people

had, social entrepreneurs, social innovators, and translate those ideas to make them scalable, make them work throughout the country. So, for that purpose, the government then decided to set up a separate private entity called Social Innovation Fund Ireland. So, the government initiated but it's actually not owned by the government or controlled by the government. We looked after it within ourselves. The government appointed the first chairman and there's one director on the board nominated by the government, but apart from that we recruit our own directors and recruit our own management.

So, the purpose of the Social Innovation Fund is to invest in social innovations and the big thing the government did was to say, "For every one euro that you raise in philanthropic funds, either from corporates or foundations or individuals, we would match that with a euro from the dormant account fund." So, every time we go to somebody with social innovations we say, "We can help you if we get a donor to support what you're doing. They'll give one euro, government would give one euro. You'll get 2 euros for every euro that you raise from a philanthropic source. It's a very powerful weapon, both for talking to donor saying you want to support good things in your community or give us your money bring it to Social Innovation Fund and we'll double the impact. For the people who are the beneficiaries, they're also getting a powerful message that if they're getting support from the Social Innovation Fund, they're getting government money, they're getting private money and double the impact, which is very powerful.

So, the focus on social innovation must be something different, something new, something agile. We know criteria how it must be scalable and we also only invest something which people have shown that they can solve a problem. So, problem out there they've shown that they can solve it but they need growth capital to increase the impact, to make it work, for example throughout Ireland, and like we talked earlier, our ability to support projects are limited to those which operate in Ireland. That's what we do.

I give you one example just of an innovation that we saw, we really scale and have them scaled, which were some university students who were very concerned with the issue of food waste. So, they develop some technology which match the food which is going to waste in supermarkets, with the needs of charities who wanted to use of food, surplus food. So, they invented some very good technology which meant both the supermarkets could identify food which is going out of date very quickly and identify charities in that area which could use that food. So they now have got a fantastic piece of technology which does that. And they had this idea and now it needs a lot of investment to develop that technology and now using that technology in Ireland, UK, US and further abroad I think Poland as well, the technology has been used as well. There's social enterprise motivated by reducing food waste and their KPI is actually enough there are tons of food are saved but amount of carbon, tons of carbon that they avoid because they recycled food. So, that's an example of an innovation but we are ready to help them scale and make bigger impact in their community. So, I'll stop there and come back to some of the challenges there

**Moderator (Ms. Miho Matsushita):**

*Thank you. Let's continue to hear from Canada, British Columbia, Mr. Kevin McCort.  
Thank you.*

**Mr. Kevin McCort:**

Thank you very much. Again, I would like to echo my panelists and thank the government of Japan, Cabinet Office for organizing this seminar. It's been wonderful to connect with people who have experience that's different from ours and learn from other jurisdictions, so I'm very pleased to be here and share our story.

So just a bit of background, Vancouver Foundation is an endowment-based grant-making charity that was established over 75 years ago. And it is a built-endowment worth around 1.3 billion CAD. Thanks to the citizens of British Columbia giving us money. So they've given us charitable contributions. It might be an estate gift when they die, it might be the proceeds of sale of a company, but they've voluntarily given that money to Vancouver Foundation. We invest that money and we grant the income.

And so we granted last year over 60 million CAD to charities in the province, and included in that amount was about 3 million CAD that was remitted to us from the Unclaimed Property Society.

So, what's different about our model is that we were established 60 years before the province came to us and asked us to manage unclaimed property. We've had a very long track record of identifying and addressing social issues with citizens' money independent of government. So with the government when they wanted to address issues of unclaimed property, they chose Vancouver Foundation as the entity to manage this fund. And that is a significant, we're very proud of that because we have been for now 75 years identifying what the key social issues are in our province and using both voluntarily contributions, income we earn on our endowment, and dormant assets to address social causes. And we are also very good at leveraging money, like others on the stage, money that's given to us when we grant it to another charity, they often match that dollar per dollar. So it is very reasonable to assume that at least in our economy that money given to us will be matched and leveraged by recipients.

So but one thing we're also asked to talk about was something that we've done we started to change and one of the things that's important for us is a transition we've been making from what we talk about as from social good to social change. So for many years, Vancouver Foundation, our grant making, we would provide funds to charities that were delivering social services. It might be to fund the operations of a food bank or it might be to fund the after-school program for vulnerable youth, but starting in 2015 we changed our processes and we asked charities to identify the root causes of the problems and identify how they're going to change the system. And I'll give you an example of what that means for us with this, our system of foster care. So in every society there are children who have no parents, whose parents are deemed unable to care for those children and those children are then looked after by our government, and they're called, in Canada, called foster children. And there's about 8 thousand of these young people in the care of the province. About 700 become adults every year and our system was designed that once you turn 19, all forms of assistance stop. And what we discovered and we saw is that the children were not prepared for

adulthood. They would leave the system and we were spending 500 million CAD a year on looking after these young people and preparing them for adulthood. And when they became adults, many of them became homeless. Only 20 percent had finished high school. Very few were able to get jobs or housing. So we were creating a generation of young people unable to succeed as adults. So rather than take 2 or 3 million CAD that we were granting to support the foster care system to just add more services, we asked all of the agencies involved in foster care to identify how can we change the system, how can we help these children graduate higher rates from school, how can we help them get into university, how can we help them get employment and the grants that we made to charities started to demonstrate that there are many things you can do to help these young people succeed.

So, we now have free tuition for university, for children from foster care across the province because we demonstrated how important that was. We have landlords who would rent apartments to young people on the basis of a guarantee from a charity. We have a wide range of programs that charities started and led to change in policy at our government. The last thing I would mention is we're active in helping change the law in Canada around what charities can do to change public policy so charities now can be. They have no limit when it comes to advocating for changes and public policy. They used to have constraints on how much they could do, but charities in Canada now can be very active in talking to government officials about changes in public policy. And the two things for us go hand in hand of strong granting program that helps charities address root causes and also now strong permission to be involved in public policy, dialogue, and debate. So, we're quite pleased that we're able to incorporate unclaimed assets, dormant assets in that process of system change in social innovation.

**Moderator (Ms. Miho Matsushita):**

*Thank you so much. We have learned that each organization has a set of unique features respectively, and specific examples were helpful for us to deepen understanding. Thank you for sharing them. We have so far heard of successful cases, but you must have encountered some challenges along the way. I would like you to*

*share with us the challenges you have faced and how you overcame them. JANPIA has just started a full-scale operation. Mr. Futamiya, may I ask you first?*

**Mr. Masaya Futamiya:**

*Thank you. My fellow panelists told us about their experiences of coping with various issues while operating their schemes for a long time. JANPIA has just started operation this fiscal year, and we have been holding briefing sessions since this April to publicly seek organizations distributing funds. In the process of soliciting candidate organizations, we have found some challenges common in the public interest related activities being carried out mainly in those candidate organizations. Let me introduce some of them to you and I hope that I will be able to obtain suggestions and advice from my fellow panelists regarding the current status in respective countries and actions to be taken. There are many issues out there, but I will focus on two points. First of all, we are dealing with dormant deposits, which are people's property, to put them to use for solving social issues. So, transparency in our activities needs to be enhanced and the outcome needs to be made visible. Implementing organizations under this scheme are required to undergo social impact measurement, and organizations distributing funds are expected to provide assistance to implementing organizations. On the other hand, many organizations at present seem to lack the experiences of undergoing social impact measurement or providing assistance and feel anxious about being evaluated. So, maybe you can give me advice as to how social impact measurement is being conducted and any hints for making related activities become well established.*

*Secondly, the scheme launched in Japan intends to enhance quality of public interest activities by the private sector by providing implementing organizations with not only financial assistance but also non-financial support prioritizing issues solution and outcomes, such as formulation of grant planning, managerial guidance, oversight, progress management, assessment and so forth. It was also found that there are implementing organizations that cannot employ program officers, professionals who are to play a central role in their activities, or that are worrying about how to secure and foster professional staff or how to secure funds therefor. I would like to know the*

*positioning and significance of program officers recognized in your countries and how you secure and nurture experts and professionals.*

**Moderator (Ms. Miho Matsushita):**

*Thank you. Mr. Futamiya referred to social impact measurement and the need to make the outcome visible as issues toward a full-scale operation of JANPIA. I would like three of you to talk about capacity building, how to enhance professional skills of program officers and other experts, and other related challenges you have faced and overcome. Daniel, could you start, please?*

**Mr. Daniel Brewer:**

Thank you. So, there are so many challenges that we have to face and attempt to overcome and many, in a way, only beginning to overcome. So I suppose my one key message if it's anything is allow yourself some time, be patient with yourself and with each other. I'm really encouraged that you seem to already be focused on social impact measurement because that is one of the things that there is increasing expertise, but it is something that is really really important to get right.

So, I've got two challenges that I thought I would share with you. The first one actually is a good respond I think to your question. If you remember I said that we were just advising social enterprises for 10 years before we started a fund. I wanted to set up a fund right at the beginning but we had no deal flow, no track record and actually we only had one investor, a private foundation. It turns out all you end up doing is spend money on lawyers when you don't have everything else in place.

So, we had to invent ourselves as an advisory organization, but in 2012 that was the year, the first year that Big Society Capital who took the dormant bank account money made the first investment and we were one of the first investments. From 2012 through to now we have grown from an organization with just two people to an organization with 40 people. We have gone from doing two deals a year to doing 30 deals a year but the challenge that we face is; how do you scale and innovate at the same time because often scaling and innovating don't happen at the same time. You

innovate first, you prove, you pilot, and then you can scale when you are sure because investors want track records. They want evidence.

Mostly we are working with pioneering new business models and they need really quite small amount of money, but the investors who had the right risk and appetite for return are looking for much larger investment opportunities. And it's still quite difficult to put lots of little ones together, to even get close to some of the large institutional investors' appetite. And at the same time there are very large problems. I mentioned 80 thousand families who are living in temporary accommodation in the UK. There are also two thousand people with learning disability, with autism, who are currently living in hospital, that have no medical reasons to live in hospital other than the support given to them in their own homes in the community has broken down. This costs the state a huge amount of money, but making that transition to supported living is a big issue.

Dementia, diabetes, mental health, these are the things in the UK and I believe also in Japan with the aging population. And of course we've got climate breakdown as well. So how do you overcome these challenges? My first answer is to measure the social impact. Measure what you value, or you will end up valuing what you measure. So, if you only measure finances, you will only value your finances. When we challenge social organizations, as part of their management information that they report to their board, to choose a small number of key indicators that evidences that they are having the effect that they think is important then we start to see the right sort of behaviour.

And what we found interesting is that organizations, charities, non-profits were reluctant to measure another thing. So we encouraged them to measure only one important thing. So eventually they agreed that was a good idea. Then we put some pressure on them to report it in a good way, to communicate it with good graphics, make it visible to everybody, and they found that not only was it useful in terms of making good organizational decisions, but it was the best tool that they had to improve our staff engagement and morale and it was the best tool that they had to attract capital investment and it was the best tool that they had to win new business. So,

sometimes it feels painful for the social sector organizations to measure more things, but if they measure the things they really care about and then communicate them well, it drives commercial success as well.

The second response was to keep the models simple, so there's a lot of financial engineering that has been done in the UK to create ever more complicated financial instruments. And the more complicated we got, the less we found organizations and social entrepreneurs were prepared to take it on. It's difficult because sometimes you need to innovate where you can. But there are models that are well understood and mechanisms that can strengthen organizations. We can use property frequently because a lot of organizations can scale their social impact if they have more space to operate from.

So, actually access to more property is helpful and acquiring property makes that work at scale. We manage 3.5bn yen of money from Big Society Capital, but we now have a leveraged this over seven times from other investors making the dormant bank account money go much much further. We have seen a real swell of investors following the example of the dormant bank account money and making a real difference.

**Moderator (Ms. Miho Matsushita):**

*So let's hear from Ireland, Mr. Terence O'Rourke.*

**Mr. Terence O'Rourke:**

Thank you. Just before I deal with the challenges and respond to the question from JANPIA. I've got to say two things. One is about our size as an initial, the government said when you start off trying to raise at least 10 million, we've got 5 million to give you from the dormant account fund and 5 million euro you raise philanthropically, so it was 10 million, or about 1.3 billion yen was our initial fund size. And it took us a long time to go back to that as point. It took a long time because when we went out to people and said "please give us money", they say, "What are you doing?" With no track record, we could not point anything. So, it took us a long time to get our boost,

two or three years actually before we got to the stage where we raised our first 5 million philanthropically and much from the government.

We've now on course, we've given the government the table, they would give us another 25 million, a total fund of 50 million, to be around that's 6.5 billion yen I think it is, so we're on our way to do that. Next thing difficult for Ken [Kenneth Jordan] because we get our contributions in a lumpy manner, the sale cycles a long time. We got talking to philanthropists, foundations or companies say, "Give us money," they take a long time to decide and suddenly they gave us the money and we got to go to Ken and say, "Ken, give us this much of money" and Ken does know he has a budget in his government account, so it's one of the issues for us to liaise with the government department to try and ease things from administration point of view.

So the other thing is that we also, we give money and we give support. We said that we're supporting social innovation. We just can't give cash to, let's say, the food supplying people, the food recycling people. We've got to give them support like an accelerator, branding support, marketing support, strategy support, and that no point of just giving them money because with money they could all be wasted so we've got to make sure that all the money is well spent. So that for, they must check if they are accepting donations or grants from us, they take also the support, the program of it we have talked about. So what are the challenges to us? First of all is how do we distribute it? How do we define this social innovation? And what we've done is we open up a series of different funds and we run them on a competitive basis. So we say we want to find people who are able to solve, let's say education advantage issues, so come to us with your proposal about how we can best spend our money on dealing with social disadvantaged people, when we fund intellectual disability or physical disability, poor background, you cannot access education. How can you help us solve the problem? So we typically get in maybe 10 or 20 times the number of applicants to compare to the number of people we will fund. So it's a competitive process. It's overseen, then we have a fund-making group which we take in people from government, from the private sector, from the social sector and they sit with us and

evaluate the different people competing for these funds and we allocate the funds based on the competitive basis.

We also do due diligence on the people who apply. They must be properly legally constituted. They normally have a good track record. Make sure we see the financial statement. So, we make sure that the people we are funding have got good governance and good financial discipline, otherwise we cannot fund them, so that is a link between. That's how we distribute the funds. Can you show that we came across as we, let's say, we raise 100 from the private sector matched with 100 from government, that's 200. Now, sometimes people would expect, let's say, let's take our example in the food recycling company. They say, "Great, you've got 200 for us, give us 200." We say, "No, we can't give you 200." First of all, we want to spend some of that on supports, on getting mentors for you, on putting you to the accelerator, on getting marketing and brand advisors for you and helping you to a sustainable business plan. We're not gonna give you money unless you also take our soft support or in-kind support. So that would take maybe some of 20 or 30 percent of the fund we would put in supports.

We also need to fund ourselves as an organization. We have a CEO, we have premises, we have program officers, so they need to be remunerated. So 10 percent typically of the money would go to fund Social Innovation Fund. So it means that when we talk to a beneficiary and they think that they're getting 200, sometimes they only get 50 percent or 60 percent in cash, they get 30 percent in support and then 10 percent goes to fund our organization. We found that a challenge. Sometimes a donor says to us for example Medtronic, a big American company gives us money and they found out that maybe 30 percent of the money that we're getting was not going in cash to the organization that they want to support, the organization that wants the support, so they question us, "Why is this money not going to the end cause?." And we're saying because if we give your money to the social entrepreneur, to the social innovator, without making sure they spend wisely, it's a waste of money. So your whole money, your 100 euro and matching government money has all been wisely spent because we're giving some in cash and some in-kind, that's very important, and

we as an organization to make sure the money is spent properly, as it's monitored and impact measured, you've got to pay us some money as well, keep 10 percent for us. So that's kind of challenge for us to get the message across to our donors and also to beneficiaries. A beneficiary says, "Great, can you give us 100, you're gonna match 100 from the government. Great we've got 200 euro and we can spend that. We say, "No, you can't. You only got 100 or 120 because we need to spend the money on the soft support and on funding Social Innovation Fund." So, that's been a challenge but it has enabled us to employ good staff, the program officers that Japanese say we need. So it's been important to build up good experience and we had the scale as an organization to get sufficient size to get enough money through our doors so we could employ enough people to deliver the impacts we want to deliver.

Going on to measuring impacts then which is very important. And we decided now on this stage we wanted to report on the impact of our money by using the SDGs, Sustainable Development Goals. So everything we do, every six months we look back at the money we spent the previous six months and we work out what Sustainable Development Goal that we impacted. Have we helped people dealt with hunger? Have we dealt with poverty? Have we dealt with equality? Have we dealt with sustainable communities? So we measure issues not just in financial terms as Daniel said, but across the whole spectrum of the social impact. Now that's not easy to do. We've been working with universities in Ireland to help us with social measurement techniques. There's also some social impact software. We've used one, it wasn't very good. We've found another one that is better.

So we are finding ways of measuring social impacts giving the information to our beneficiaries and saying, "Give us back the information." Obviously, it's a challenge. Sometimes they don't want to, as Daniel said, they want to spend the money helping the problem they're trying to solve and not reporting things, which they see as a sort of burden. But we are saying, "No that's not the deal." You must send us back the impact. You must measure. You must report back to us. And we all keep some money back at the end so they don't get all the money at front. We keep some money back so they don't get the final installment to the grant until they comply with all our

conditions including feeding us back information which we can use for impact assessment. So I think that's the main challenge to be faced and how we dealt. Thank you.

**Moderator (Ms. Miho Matsushita):**

*Thank you. I know you must have many questions you would like to ask but we need to continue. Let's hear from Mr. Kevin from British Columbia.*

**Mr. Kevin McCort:**

Thank you very much. I heard great comments from my co-panelists. A couple of things I'd just perhaps mention that we are different about the way that we work. As an endowment that's investing, we're averaging close to 10 percent annual returns on our endowment. So we pay ourselves by keeping a portion of our earnings. So none of the money that was given to us by donors is used by us, we pay ourselves from our earnings. And that's a significant feature also of the unclaimed property society. My colleague Alena, her organization costs are covered by interest that they earn on the unclaimed deposits that they hold in trust. So that's a difference in terms of how we cover our costs.

And also, we don't decide what the social issues are we are going to address in British Columbia. We ask the civil society, the charities, to tell us what's the most important issue, and then what we do is we convene panels of experts to go through those proposals and help us choose the one that we think are most likely to succeed. And that means we can fund a wide range of activity. Our work in foster care came as a result of the organizations that have worked in that sector, made a very convincing case that they could make a substantive change in the foster care system. So we are a responsive grant maker. We do not pick the theme and then ask organizations to come in and address what we think is important. We ask our society to tell us what's important and submit proposals along that way. And similar to other grant makers, we do convene experts from outside of the organization, and that's particularly important to us because we want our funding decision to be legitimate where people would look at that and say, "Ah, I understand why Vancouver Foundation is funding

this work. I know who help them make that decision and I respect that decision." So that's very important to us that those decisions made people understand the system, how we do that. We also do things differently when it comes to learning and evaluation. It's our best practice is with if we find our funding, again I use the example of foster care, six or seven charities involved in addressing the foster care system. Our evaluation process is to bring those organizations together with the ministry of child and family development, with government officials, with foster children themselves, so a large number of children who are in or formerly in care. We've involved the media, the press. We've involved universities. We create what we call our learning cohort and we ask that group, that broad group of stakeholders, young people, charities, the government, the media, universities, to tell us, "Is this program making progress?" We let them tell us if they're being successful. And that we found has been the most effective way for us to determine if we're making progress is to ask the people involved if we're making progress. And if we're not making progress, to then in the next round of funding perhaps to propose something different because our learning process is really to discover what works, but to accept that we can only discover what works when we do that collectively. So, we don't ask charity to submit extensive independent individual evaluations. The bulk of our learning is collective learning through these learning cohorts.

And the last thing I would mention is that a challenge that we had when we made the shift to ask charities to work at the systemic level to address root causes, many charities found that to be a challenge because they had been involved in service delivery. They had not really understood the system that they were working in. They were more concerned about providing food, enough food, to the person in front of them as opposed to wondering, "Why is this person here? They're working but why are they in the food bank?" So, it takes time to get organization to shift from a service mentality to a system-change mentality. And we were quite generous in our support to organizations to do that. We encouraged them to hire good staff, pay staff well. We've put a lot of efforts into ensuring that if we're asking charities to do something complex and difficult, we provide them with adequate support to do that.

**Moderator (Ms. Miho Matsushita):**

*Thank you for introducing challenges and how you have been responding to them. Concrete cases are very informative. Are there any other questions? One question each. Anything?*

**Mr. Terence O'Rourke:**

We give money as grants and you give money as loan investments. And we've thought about this and saying maybe we should be able to be... if the organization is happy or succeeding, there should be more sustainable, they should be able to repay us. But I think this is a whole of different discipline for lending than those of grants. Granting is just, in one way easy, because you just give money away, but lending you've got to manage the loan, you've got to measure the loan, you've got to check with them more often. It's a long-term thing. You don't know how many years before you've got it back. So what are the issues arising if you move to a lending model from a grant model? What do you think?

**Mr. Daniel Brewer:**

So, I think mostly it's about managing expectations and you know I think there are I suppose one of the mantras we have is you can't use investment until you have income. So, first income, and then you can start talking about investment. But in lending, when there is a hope something might happen in the future, is not helpful unless you really structure it very passionately like that, how many capital to lend, but even then I think there's a place for grants at the innovation stage and it's one of the tools, and lending is one of the tools. I'm not principal about investment versus grants and I think particularly when you're putting grant into a system, typically for technical assistance or support, that helps organizations get ready for a transaction that they would otherwise just be taking money and then going, "Oh no, how am I actually gonna pay it back?" But I think in terms of monitoring it, you know, we use that monitoring exercise as a way of providing support so we don't run it as an accelerator but we count one of the things that we measure for ourselves in terms of the impact that we're having on the organizations that we support is how many connections do we make, so maybe an introduction to somebody on the board or it might be an

introduction to somebody who might be able to be a customer or a supplier. We count those things for us because it is part of an ecosystem. It is more than just providing money. Invest in strengths is our mantra all the time. But it is a different discipline and it's fine really goes well. For when it doesn't go well, and we had a couple of examples, just to share, of organizations. Some have been part due to the things outside of their control and a part due to things that we wished they had done differently, but they have gone wrong. And people often ask us when they are borrowing money, "What are you gonna do if we can't repay?" and secretly they're asking, "Am I gonna be alright if, you know, you don't really want the money back, do you?" And we said, "No, no, we really want the money back, but our first priority is the social impact, the preservation of the social impact, so how can we in a difficult scenario put the people in community who are being supported first. The next priority is can we support you as an organization. It might be that somebody else has to support those people, but it might be that you're still the right one, so can we support you? And then it's how can we own a commitment to our investors? Because actually we sign contract with them to steward their money in the best way we can. Impact first above real financial stewardship and then we come up at the bottom. So, the saying that we have to social enterprises: "If you bleed, we bleed." But we are serious. This is a loan. We all do want the money back because if you pay the money back, you achieve something that you're not focused on yet. But that is credibility, so that next time you can borrow not just again, but 10 times the amount and we've seen organizations realize that they actually want to pay the money back. And that creates a completely new relationship between them and the investor.

**Moderator (Ms. Miho Matsushita):**

*Thank you. We are running out of time. Lastly, one word each from panelists concerning the future potential. Mr. Futamiya, could you start?*

**Mr. Masaya Futamiya:**

*JANPIA has a vision to be a catalyst for social innovation and change, and achieve a society where no one is left behind. "No one left behind" is of course a slogan of the SDGs. I think that the Guiding Principles on Business and Human Rights,*

*mainstreaming biodiversity and responses to the climate change and so forth, which are being coped with worldwide, or a so-called human-centered approach should be considered in the context of the SDGs, world's common language.*

*The name of JANPIA, Japan Network for Public Interest Activities, contains no word such as "promotion" or "facilitation." We put in the key word "network" as we hope that the utilization of dormant deposits will create a new network with NPOs, companies, local governments and academia, etc. and that this will further create technological innovation.*

*Like the SDGs that represent the crystallization of the wisdom of all human beings, we would like to collaborate with diverse stakeholders by an All-Japan approach in building this scheme of utilizing dormant deposits, while fully employing all wisdom from inside and outside Japan, thereby expanding this initiative as a national movement. For the time being, we would just focus on providing grants but will also have to consider providing investments and loans. I would like you to share your knowledge with us. Thank you.*

**Moderator (Ms. Miho Matsushita):**

*Daniel.*

**Mr. Daniel Brewer:**

For the future I think there are two things I see as trends. One is an approach that is called 'advantaged thinking,' so that's opposed to the 'disadvantaged thinking'. As a very quick example, if you see a refugee, do you see somebody who is destitute, poor, with nothing, in need, or do you see them as somebody who actually might have been a doctor or a business professional and someone who has shown resilience in traveling many thousands of miles to find a new life. And in that very simple approach, you see somebody with ability to offer something or you see somebody you need to do something to. And I applaud Kevin's approach in terms of the inclusion of people who are supposedly the beneficiaries a term we are not allowed to use in our organization, we are all beneficiaries. But the people who are being supported have to have a voice and they have to be the centre of the decision-making and it sounds very similar to some of the things I'm hearing from the panel.

The second thing is technology. We are working at the beginning of a project with a company called ALICE, which has actually been backed by a Japanese organization K-three – I think they might be here in the room. But it's a really exciting project using block chain technology to include people who are being supported in the system. So, in particular example we are looking at using the social impact measures that we look at for our residents in our property fund. For example, when they pay rent on time, a little amount goes into a wallet that goes towards the deposit for the next flat or to buy a house. When they put cash in themselves, we match it. It's about aligning the financial interest so that not just the charities and non-profits get paid on the outcome that's been achieved but the individual is also included in that financial system. And contractually it would be too complicated without technology. So secure blockchain technology is actually unlocking both the measurement of social impact and a new financial relationship as well.

**Moderator (Ms. Miho Matsushita):**

*Thank you. Terence, your turn.*

**Mr. Terence O'Rourke:**

Just two things. One is we very know having backed 86 innovations across 22 funds that we raise. And we're not trying to look at the leveraged inside we have. We've seen what works, what are the barriers that are not working. So, we're gonna feed that back to the system, to the policy makers, to government, the other stakeholders saying, "When you back social innovations, these are the things which work and these things don't work." So, for example, we had on Thursday and Friday of last week with 50 people as an offsite two-day seminar in Ireland looking at we had about 20 organizations addressing issues of educational disadvantage and how they were leveraging them. So, it's working out how the average education system can improve based on the learning from 20 projects that we funded and supported. And that we see that as the most important thing is that trying to work out not just an individual project but to learn from the project and then to make sure those learnings are brought back into the wider system and we can all benefit from that.

The other thing is just to note that we're looking at people saying to us we should support those two areas, particularly which we have not been able to do very much with, partly because of the restrictions on the Dormant Accounts Fund. One is climate justice or climate change, unable to solve if people have got crazy ideas but we can't support them because we aren't allowed to under the Dormant Accounts Fund's money. Second, it's a more difficult area, the area of migration and immigrants, which public could get under the Dormant Accounts Fund but there's a lot of demand for that, so we need to do more on the area we think.

**Moderator (Ms. Miho Matsushita):**

*Kevin.*

**Mr. Kevin McCort:**

Just very quickly for us. We want to continue to reinforce the idea that charities, that civil society, that citizens have the answers to social problems, that we collectively have the answers, and we want to then go to people to have resources either voluntary contributions, philanthropical contributions, or dormant assets to demonstrate that that money would be effectively used by our sector. So, first is most important to us that we have solutions, we are the solutions sector to social issues. After that, it becomes, "Where can we find the money?" I'm quite inspired, Canadians either don't lose very much money or we're not looking very hard for it because when I compare British Columbia to Ireland, with about the same number of people, they have 15 times as much money flowing to their unclaimed dormant assets than we do. So, I'm inspired to find more money, and we also certainly want many other parts of Canada to adopt this. We're the only jurisdiction in Canada and British Columbia. There's nothing federally. There's nothing in our largest province. So, we're hoping that this seminar would help spark a wave of copycats around the world.

**Moderator (Ms. Miho Matsushita):**

*Thank you. Sorry for the running out of the time. So, with this I would like to conclude part 2. So, Ms. Magata, once again back to you.*

**MC (Ms. Mayuko Magata):**

*Ms. Matsushita, thank you very much. Once again, let's give a big round of applause to the members of the panel. Mr. Futamiya is asked to remain for the next session so please remain on stage, Mr. Futamiya. Other panelists, may I ask you to kindly return to your seats. Thank you very much for your excellent contributions to the panel.*

**CLOSING SESSION**

**MC (Ms. Mayuko Magata):**

*Next, we would like to move to the closing session. We would like to look back on the discussion that we had during panel 1 and panel 2 and ask Minister Miyakoshi to provide a summary.*

*Ms. Claire Etches, Mr. Alberto Padova from panel 1. Mr. Futamiya and Director General of the Cabinet Office of the Japanese Government, Mr. Hiroshi Tawa, on behalf of panel 2. One more person, the chair of today's session Minister Miyakoshi is asked to come to the stage for the closing session.*

*Mr. Miyakoshi is with us once again. Now that everyone's on the stage, we would like to begin the closing session and I would like to hand the microphone over to Mr. Tawa.*

**Mr. Hiroshi Tawa:**

*Thank you. We only have a short time, but we would like to have a closing session. I am Tawa from the Cabinet Office. I serve as a moderator. As a closing session, we are going to discuss about future policy evolution. Today's discussion was extremely vibrant and informative. On the government side, we could obtain hints as to how to develop an environment for solving social issues and could promote international interactions by taking advantage of this opportunity of an international symposium. We had so many audience here from different sectors and I hope that today's symposium will further facilitate understanding and networking. I believe the audience of this symposium will be the people who will actually play many roles under the Japanese scheme concerning dormant deposits and lead it into the future. So, there*

*must be some messages from the panelists to the attendees. Ms. Claire, would you like to start first?*

**Ms. Claire Etches:**

First of all, I just would like to say what a fantastic afternoon it's been and it's really exciting to have so many people here listening to really interesting panels. I hope that everybody would be able to take some very positive messages away. I think the first point really is that Japan is not alone in this. Clearly, there are lots of governments running a scheme of some sort or rather, and I think there's a huge potential here for genuine long-term collaboration and I knew, speaking just on behalf of the UK that we would very much like to be in partnership with the countries that are represented here and with Japan.

So, I think this is a very important first step on the ladder in terms of international collaboration and then learning from each other and hopefully supporting and encouraging countries that are starting on this really exciting journey. And I think the other point that's come across really clearly from the discussion today is how powerful the scheme can be if you get it right and you've got firms participating and is with the aim of helping some of the most vulnerable in society. It's incredibly powerful message that you can really change people's lives. And we've seen that happen in the UK. Some of the most vulnerable people have found work. They're in sustainable housing. They're getting out of debt. And I think that's really an incredibly powerful message for everybody here in the room today to really think about as you start develop the scheme. And I'd just like to thank everybody for listening and to have the opportunity to be part of this really important event. Thank you.

**Mr. Hiroshi Tawa:**

*Let's continue and hear from Mr. Alberto Padova.*

**Mr. Alberto Padova:**

Thank you very much. I'd also like to join Claire in first of all thanking the Government of Japan for this fantastic initiative today. I personally learned a lot about these schemes, but I hope that also people in the audience have learned and seen how

inspiring and how large the potential for this type of scheme can be to contribute to the achievement of the SDGs and in fact I would also like to specifically say how happy I am that the emphasis has been made so strongly on the link between these schemes and the SDGs because at the end the SDGs really are about the most vulnerable people in societies. Leaving no one behind is what government have promised with the adoption of SDGs. And despite the fact that these various schemes have different features, they all seem to have one thing in common which is to contribute to having the most vulnerable people in society do better in life. And so that I think it's very inspiring and we look forward to the adoption and the development of the scheme in Japan but also as a lesson for other countries to learn and be inspired by what we heard today from the countries represented at this symposium. Thank you very much.

**Mr. Hiroshi Tawa:**

*Thank you. Then, Mr. Futamiya.*

**Mr. Masaya Futamiya:**

*I have the same understanding as the two speakers. I think this is the time we should take actions more speedily with a sense of crisis. People seem to have paid little attention to the link between SDGs and the solution of social issues with the utilization of dormant deposits. Through today's symposium, we could recognize many findings; that funds and human resources in the private sector play a significant role and are indispensable in achieving the SDGs and solving other social issues; that this scheme of utilizing dormant deposits as one of the possible mechanisms has a huge potential; that it is important to attract the interest and attention of a broader range of people and have them get involved. We also understood that each country and region is devising means to enhance the capacity and expertise of human resources for the solution of social issues. We would like to use the mechanism for utilizing dormant deposits as the driving force to bottom up and enhance the ability to solve social issues while making the most of knowledge and wisdom from inside and outside Japan. For that purpose, it is important to have dialogues broadly and get wisdom therefrom, and to make constant efforts to take concrete actions and achieve results. I reconfirmed the significance of cooperation and partnership. Thank you.*

**Mr. Hiroshi Tawa:**

*Thank you. I, as a Director General in charge, would like to report to our Minister Miyakoshi, the Chair of this symposium, that today's discussion on how to utilize funds related to dormant deposits reminded us of the fact that the mechanism would not work at all without human resources participating actively behind the scenes. How to motivate those involved in this scheme is the key and we, as the government, are required to work hard to develop a better environment therefor. As Ms. Claire mentioned, we must continue our efforts for international cooperation and actively provide relevant information while preparing forums where diverse people can gather and interact. This has been my report to my minister as well. Thank you.*

**MC (Ms. Mayuko Magata):**

*Mr. Tawa, thank you very much. Minister Miyakoshi is asked to provide a closing remark and summary.*

**Minister Mitsuhiro Miyakoshi:**

*Thank you. As a host of this symposium, I would like to thank all the panelists who have come from abroad to join us and I thank everyone for being here today.*

*The whole world is working hard toward sustainable economic growth, correcting inequality and trying to solve issues of poverty reduction, social inclusion and the achievement of a society with a high degree of wellbeing. Efforts for achieving the SDGs driven by the UN and has been spreading worldwide, and for solving various other social issues have become an important agenda shared throughout the world. National and local governments, including those of G20 countries, international organizations, private companies and NPOs are seriously required to work together to solve social issues through utilizing diverse funds, human resources and expertise.*

*As one new initiative, Japan has worked to make a scheme of utilizing dormant deposits for the purpose of solving social issues for which the national government cannot make responses one by one. The scheme is to be put into operation this year at last with the participation of diverse NPOs and other organizations. Japan will join a group of countries that operate such pioneering and innovative schemes. Today's*

*international symposium was a very informative one and we were able to share diverse expertise and experiences of pioneering predecessors. Based on what we learned today, the Government of Japan will endeavor to develop a better environment so that concrete results can be made and this scheme will be firmly rooted in Japanese society.*

*I firmly believe that today's international symposium will facilitate utilization of dormant assets in respective countries and regions and global dissemination of relevant schemes, thereby making a contribution to the stable and sustainable development of the international community as a whole. I would like to reconfirm the potential and significance of schemes for the utilization of dormant assets together with all of you here and would like to conclude this international symposium. Thank you very much.*

**MC (Ms. Mayuko Magata):**

*Minister Miyakoshi, thank you very much. Minister Miyakoshi would be leaving at this moment. Let's thank the minister once again. Thank you.*

*Next, those who were on stage would be leaving. Thank you very much for all the excellent insights and views. Thank you. They would be back in their seats. If you could please, kindly return to your seats?*

*Throughout part 1 and part 2, we heard so many precious discussions. I hope you had good takeaways. Hope you would look back at the discussion and be able to put today's learnings to use. I'm sure many of you are preparing to leave, but before you leave, a few announcements. Those of you with the yellow nametag, we ask you to return your nametag at the reception before you leave. Those of you who are wearing yellow nametags, you're asked to return your nametags to the reception. Those of you with blue nametags, you can keep your nametags. You don't have to return them. And here is a request for everyone for everyone. The simultaneous interpretation receiver that you have used, please leave it on the table before you leave. Please make sure to leave the device on the table before you leave. Make sure to pick up everything before you leave. Do not leave anything behind in the room.*

*With that, we would like to conclude the International Symposium on Utilizing Dormant Assets for Social Issues. We are preparing to wrap up this symposium and to clean up the stage, if you could bear with us for another moment. The signage on the stage is being removed, so if you could be patient, wait for another while.*

*Ladies and gentlemen, thank you very much for waiting. We're good to go. Thank you once again for your attendance today and thank you for being with us until the very end. Thanks to all of you.*

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