

# INDIGENOUS FIRST IMPACT FRAMEWORK

*A tool to support the growth of the Indigenous economy*



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*We pay our deepest respects to the Traditional Custodians of Country across Australia.*

*We acknowledge the Traditional Custodians of the lands on which Indigenous businesses are founded and operate on.*

*We acknowledge and thank our Elders who have demonstrated over 60,000 years of sustainable Indigenous business. We ask our Elders to guide us on a path to a more prosperous future.*



# THANK YOU

We would like to thank the numerous Indigenous businesses, entrepreneurs and impact investors for their input and the sounding board they have provided during this process. It has greatly helped develop this framework and we look forward to working on priority areas for further development and adoption to create better futures for all.

## AUTHORS

### **Indigenous Impact Pty Ltd**

Indigenous Impact is a company, founded by Craig North, that continues the work of creating and executing impact investment opportunities with Indigenous Australians through their enterprises and projects. Achieving social, cultural and environmental returns whilst also building economic independence for Indigenous enterprises.

### **First Australians Capital**

First Australians Capital was conceptualised in the early 2000's to promote and support Indigenous business and enterprise as a way for Indigenous peoples to become economically independent. FAC is an Indigenous-led and controlled organisation that partners with Indigenous business is a unique proposition in the Australian economy. The success of First Australians Capital is measured by the success of Indigenous businesses - defined by each business on their own self-determined terms.

To access the downloadable version of this framework, [click here](#).

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# PREAMBLE

First Australians Capital and Indigenous Impact came together at the start of 2021 to work on this framework: The Indigenous First Impact Framework.

We believe we can uniquely position the Australian impact investment market with greater Indigenous inclusions through equitable access to 'Right' capital.

First, we need to shape the foundations. This begins by shifting mindsets about the collective power and capacity of the Indigenous economy, showcasing the growth opportunities, and demonstrating the knowledge of Indigenous participants to lead the way.

Increasing self-determined futures for Indigenous peoples is this framework's 'north star'. Indigenous Self-determination' might not be front of mind for all investors. However, it is a path many Indigenous people still seek after long periods of systemic and institutional oppression, even in contemporary Australia.

This is not just a national issue but also a global one. "Reduced Inequalities" is Goal 10 of the United Nations Sustainable Development Goals (SDGs - Page). It captures the importance of no one being left behind. It is increasingly recognised that our dependence on achieving the other 16 SDGs will be determined by our ability to make significant progress by achieving greater equality levels.

Australia's impact investment market has the opportunity to play a greater and more transformative role in. Indigenous economic development and social equality, which will have multiplier effects in key impact areas and create opportunities for all Australians.



*“Aboriginal and Torres Strait Islanders have engaged in the production of natural, intellectual, and cultural capital for thousands of years; they began with abundant wealth.*

*[We] invested in cultural production such as oral history, painting, dance and song. As custodians of the land, we engaged in sustainable natural capital production and maintained the ecosystem. We generated intellectual capital such as building sophisticated fish traps, inventing aerodynamic weapons, and the development of extensive trade networks.*

*These forms of natural, cultural, and intellectual capital are assets at our disposal to reactivate a First Nations economic model. Data sovereignty, renewable energy, net zero emissions, carbon credits and nature-based solutions are emerging sources of First Nations’ capital.”*

*Kado Muir, “Wealth in First Nations: Inclusive wealth and colonial legacies”, published 20 September 2022*





# PURPOSE

The Indigenous First Impact Framework is a refined approach for investing with Indigenous businesses to create long-term sustainable impact.<sup>1</sup>

This framework asserts that economic futures are driven by Indigenous Australians, not for Indigenous Australians. By charting a new approach for investing into the Indigenous economy, the framework supports investors seeking to create long-term, Indigenous-led pathways to achieve impactful investments.

Previous attempts at Indigenous economic development have not resulted in the required change to accelerate the growth of the Indigenous business sector.

Self-determination, Indigenous culture and governance have not been seen as core to the value of Indigenous economic development.

This framework guides investors through the context, principles and practices required to facilitate long-term, self-determined investments into Indigenous enterprises.

Bringing together values aligned investors and partners with this framework will result in a thriving economy driven by Indigenous Australians, that benefits all Australians.

# SCOPE

The impact investment market in Australia is predicted to grow to \$100 billion in market size by 2025, which is five times larger than it was in 2020.<sup>2</sup>

Impact investing<sup>3</sup> aims to deploy capital to tackle the most pressing and important social and environmental challenges such as climate change, sustainable agriculture, renewable energy, biodiversity, land and sea restoration, accessible housing, health, and education.

On this basis, it is important for Indigenous entrepreneurs, businesses and community enterprises have more equitable opportunities to access capital from a market that is aligned with environmental and social impact objectives.

There is a largely untapped opportunity to connect Indigenous businesses with purpose-aligned capital to create positive outcomes for Indigenous people and all Australians, and for the market to recognise the potential within the Indigenous business economy to achieve these outcomes from a legacy of entrepreneurship that has survived 60,000+ years.

Investing for equitable inclusion in the economy presents investors of all types with significant opportunities for improving investment performance, uncovering new investment opportunities and reducing risks.<sup>4</sup>

<sup>1</sup>Includes Indigenous community enterprises, organisations and similar.



# FRAMEWORK AUDIENCE

This framework is designed for investors and will guide the approach for impact investments to be Indigenous-led.

The framework lends itself readily to direct investment or investing through an Indigenous intermediary. For indirect investments this serves as a useful tool for auditing the impact investment processes of the investment manager.

This framework aligns with the United Nations<sup>5</sup> Declaration on the Rights of Indigenous Peoples.

# WHAT THIS FRAMEWORK IS NOT

The Indigenous First Impact Framework is not a prescriptive 'a to z' guide for impact investing.

It establishes a way of thinking that acknowledges self-determination as the pathway to shift power and control back to Indigenous businesses when accessing capital.

The framework defines key principles and practices for investing with Indigenous businesses and community enterprises. This framework will evolve over time to respond to the demands of a thriving Indigenous impact investing sector.



An aerial photograph of a dense forest. The top and bottom portions of the image are filled with thick, green tree canopies. In the center, there is a large, irregularly shaped clearing with a mix of brown, tan, and green ground cover, possibly a meadow or a dry stream bed. The text is overlaid on this central clearing.

# FOUNDATIONAL PILLARS

*These foundational pillars support truth-telling and are important to create authentic partnerships with Indigenous Businesses.*







# FOUNDATIONAL PILLARS

## 1. SYSTEMIC AND STRUCTURAL BARRIERS TO CAPITAL

The transition to an equitable and inclusive economy for Indigenous people commences with an acknowledgement of the impact of colonisation and the systemic barriers for Indigenous people in accessing capital to build and transfer wealth for future generations.

Colonisation has forcibly removed Indigenous Australians from Country and locked Indigenous people out of the economy.

Financial systems can play a transformational role in addressing the systemic inequities created from colonisation: stolen wealth, seas and land. Land and the built infrastructure remains a significant basis of wealth in Australia. It can be leveraged for enterprise, to access capital and to transfer wealth to the next generation.

Experiences of colonisation have seen Indigenous businesses harness innovation and their creative, social and cultural capital. Under an Indigenous First Impact approach, valuing non-financial (e.g. intangible) assets such as Indigenous cultural knowledge or social connections can be a way of valuing an Indigenous business beyond financial metrics.

## 2. SELF - DETERMINATION

Self-determination is an 'ongoing process of choice' to ensure that Indigenous communities can meet their social, cultural and economic needs.

*"Indigenous peoples have the right to self-determination. They can freely determine their political status and pursue economic, social, and cultural development through that right. They have the right to maintain and strengthen their distinct political, legal, economic, social and cultural institutions while retaining their rights to participate fully, if they choose to, in the state's political, economic, social and cultural life." (UNDRIP)*

The framework advocates a systems and strengths-based philosophy that draws on the entrepreneurial talents of Indigenous people and puts Self-determination and Indigenous-led decision-making at the centre of impact investing. This means that Indigenous people are given the power and agency to determine their capital needs and economic futures.



### 3. GOVERNANCE

Indigenous enterprises operate under two governance structures:

#### Cultural governance

Informs the rules and values about how power and decision-making is exercised.

#### Operational governance

The operating functions, financial, risk management, and reporting mechanisms under which the business operates.

These are not mutually exclusive and each plays a part in informing the other when it comes to the running of and decision-making processes of an Indigenous-led enterprise.

Cultural governance allows Aboriginal culture to be placed at the centre of a service or program and is critical to the success of services and programs for. It's important to note that there are aspects of Cultural governance that are for Indigenous communities, and stay within communities and these arrangements and associated decisions will need to be respected.

Utilise the Australian Indigenous Governance Institute as a resource to learn more: [Australian Indigenous Governance Institute - AIGI - Nation Rebuilding Toolkit](#).

### 4. INDIGENOUS CULTURAL AND INTELLECTUAL PROPERTY

Indigenous Cultural and Intellectual Property (ICIP) rights are Indigenous People's rights to their own heritage and culture including cultural practices, traditional knowledge, and resources and knowledge systems developed by Indigenous people as part of their Indigenous identity.

The rights to ICIP are generally owned collectively by the Indigenous community (or language group, or tribal group), as distinct from the individual, and are based in customary laws which may not be currently recognised by the legal system. These gaps in the law mean that Indigenous peoples rights are often unprotected and open to exploitation unless they can meet the requirements of intellectual property laws.

This framework advocates for the following of Protocols - non-legal guidelines that offer a system of rules stipulating the correct procedures to be followed. Protocols have been widely used in Australia to protect ICIP in areas where the law falls short. They provide a mechanism for the protection and recognition of ICIP.

Terri Janke and Company, and her work [True Tracks](#) provides a framework for such protocols.



## 5. DATA SOVEREIGNTY

Indigenous Data Sovereignty is the right of Indigenous peoples to govern the collection, ownership and application of data about Indigenous communities, peoples, lands, and resources. Its enactment is built on two central premises: the rights of Indigenous nations over data about them, regardless of where it is held and by whom; and the right to the data Indigenous peoples require to support nation rebuilding.<sup>8</sup>

Exercising Indigenous Data Governance enables Indigenous peoples and their representative or governing bodies to accurately reflect their stories. It provides the necessary tools to identify what works, what doesn't work, and why. Effective Indigenous Data Governance empowers Aboriginal and Torres Strait Islander peoples to make the best decisions to support their communities and people in the ways that meet their developmental needs and aspirations.

It also enables Indigenous peoples to exercise the right to decide what data is shared. This means respecting the ownership and rights to Indigenous data, and supporting early agreements with investors and partners on what and who gets access to impact data and associated reports.

This framework advocates for the application of Indigenous Data Sovereignty Principles<sup>9</sup> and the use of Lowitja Data Sovereignty Toolkit.<sup>10</sup>

## 6. RIGHT CAPITAL - RIGHT SUPPORT

The framework puts forward a '**Right Capital - Right Support**' approach when working with Indigenous businesses with the overarching goal of self-determination and economic independence.

**Right Capital** means deploying the right type of capital, or a mix of capital, for the right stage of the business journey. This gives investors have an incredible opportunity to shift power to Indigenous businesses through capital deployment.

**Right Support** means having access to resources and networks that will benefit the Indigenous business. These resources would otherwise be unattainable or unknown to an Indigenous business without an investor or partner opening the door.

• • •

*"Right Capital and Right Support are terms borrowed from the traditional concept of 'Right Fire' - a practice that acknowledges that burning vegetation in the right conditions leads to the best outcomes for growth and regeneration of the land.*

*Right support and Right Capital are fundamental for growing a strong Indigenous businesses economy. With that, we ask: what, when and how do we support Indigenous businesses to create a positive impact for Community and Country from a capital and business support point of view?"*

**- Craig North, Indigenous Impact**









# KEY CONSIDERATIONS FOR INVESTORS

## The opportunity for economic growth

Indigenous businesses provide significant economic, social and cultural contributions to Australia, but their impact has largely gone unnoticed<sup>11</sup>.

Prior to the pandemic, there were an estimated 12,000 to 16,000 Indigenous-owned businesses operating in Australia. It is a sector experiencing strong growth, where the number of reported Indigenous-owned enterprises has more than tripled between 1991 and 2016, growing at 12.5% annually. With the right enabling environment, the Indigenous business sector will grow nationally by over 8,000 new businesses over the next ten years.

Indigenous business is a diverse sector operating in areas such as health and social services, education, tourism, agriculture, construction and technology.

The intersection of a growing impact financing market and a rapidly growing Indigenous business sector has an opportunity to create a multiplier effect in addressing long standing environmental and social challenges in Australia. The potential for investors to capitalise on these opportunities is upon us and in areas such as action on climate change including clean energy and carbon markets, regenerative agriculture and restoration of land, water and sea biodiversity and landscapes.

## Self-determination and Wellbeing

Research from Australia and North America indicates that self-determination is associated with positive social and economic outcomes<sup>14</sup>. These outcomes are demonstrated in industries where Indigenous peoples' have led the decision-making and design of solutions for their community to thrive, such as health, housing and child protection.

In the pursuit for self-determination, "Indigenous businesses and community enterprises have become important vehicles for generating pride, independence and financial stability for their owners and employees and use their business activities to<sup>15</sup> create positive futures for themselves, their families and Community".

Economic<sup>16</sup> participation is a key pillar in achieving improved Social and Emotional Wellbeing outcomes. It is the foundation for physical and mental health for Aboriginal and Torres Strait Islander peoples. It also recognises the importance of being connected to land, culture, spirituality, and ancestry and how these affect the individual.

Adopting an Indigenous First approach increases business confidence, lowers the risk of impact investments and improves Indigenous autonomy over decision-making, which has a positive social and emotional impact on business and Community.





# INVESTOR READINESS CHECKLIST

Reflecting and understanding the foundational pillars and key considerations is important in empowering an Indigenous First approach to investing. Learning is a process of unlearning, it is as much about 'investor-readiness' as businesses being 'investment ready'.

This Checklist can be used as a reflective exercise for impact investors to undertake before engaging in Indigenous investments.

## **1 - Engage in truth-telling**

Ask: Do I/my organisation understand or could we better understand the systemic structural barriers that lock Indigenous people and communities out of economic and social development. (Utilise Indigenous created resources to learn about the impacts of colonisation on economic participation).

## **2 - Acknowledge the creative and cultural capacity of Indigenous people**

Ask: Do I/my organisation recognise or are we open to the value creative and cultural capital brings to economic development in existing and emerging industries?

## **3 - Understand self-determination**

Ask: Do I/ my organisation understand the role and purpose of self-determination in impact investing and why it must be empowered and upheld or do we need to understand it further?

## **4 - Reflect on your role in empowering the Indigenous economy**

Ask: What role do I/my organisation or could play in empowering the Indigenous economy? What power do I hold (networks, capital, resources etc.)? How can I use that power to elevate the voices of Indigenous enterprises over my own?

## **5 - Find the right partner/s to support your development**

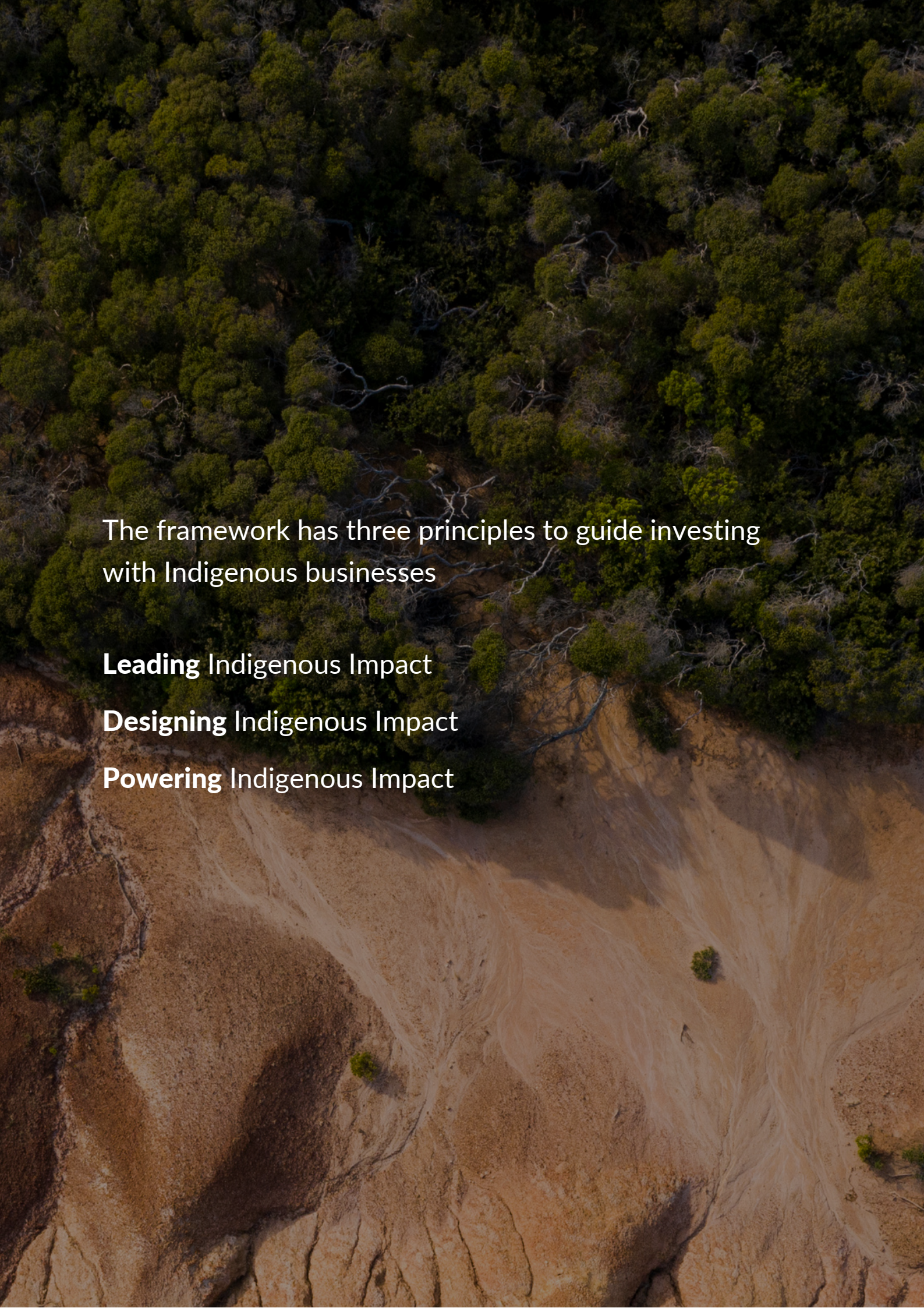
Ask: Who are the right people/networks/consultants to support the implementing of this framework for our organisation and support building the Indigenous business sector? (Hint: They should be Indigenous).



An aerial photograph showing a dense, green forest in the upper half of the frame. Below the forest, a large, sandy, eroded area is visible, characterized by light brown and tan hues and intricate patterns of erosion. The text "FRAMEWORK PRINCIPLES" is overlaid in white, bold, sans-serif capital letters across the middle of the image, spanning from the forest into the eroded area.

# FRAMEWORK PRINCIPLES



An aerial photograph showing a dense, lush green forest in the upper half of the frame. Below the forest, a sandy, eroded landscape is visible, characterized by light brown sand and darker, more textured areas. The transition between the forest and the sandy area is somewhat abrupt, with some trees growing on the edge of the sand. The overall scene suggests a natural, undisturbed environment.

The framework has three principles to guide investing  
with Indigenous businesses

**Leading** Indigenous Impact

**Designing** Indigenous Impact

**Powering** Indigenous Impact



## PRINCIPLE 1: LEADING INDIGENOUS IMPACT

Indigenous people are best placed to develop solutions and lead decision-making with opportunities relating to Community, Country and impact outcomes.

Funders/Investors can empower Indigenous enterprises to determine the outcomes of a project/investment by changing their own perception on the drivers of change, rather than changing the Indigenous business.

To guide Principle 1, the following three sub-principles support its use:

### **Principle 1.1**

Indigenous businesses have a right to pursue self-determination, and this should be upheld as equal to achieving financial outcomes.

### **Principle 1.2**

Indigenous governance is essential to developing and implementing impact strategies involving Community and Country.

### **Principle 1.3**

Indigenous culture is valued and recognised for its importance in achieving successful business objectives and impact outcomes.



## Aboriginal and Torres Strait Islander Advisory Group on COVID-19

During the COVID-19 pandemic, the actions taken by the Aboriginal and Torres Strait Islander Advisory Group on COVID-19 to manage health services for vulnerable and at risk Indigenous communities demonstrated the impact that can be achieved when First Nations people are leading Indigenous purposed programs.

In places where the First Nations health care sector took over health management through the care and protection of Elders, they were able to curb the risk and outbreak of infection in the community.

Innovative Indigenous-led health care models work because these service providers have the relationship, understand the needs of the community and able to work up community led (Indigenous-led) solutions to challenges.

### Sobah

Sobah is Australia's first non-alcoholic craft beer company, Indigenous owned and led and born from a desire to provide a better choice for those who are not drinking for whatever reason at whatever time.

Sobah uses its product, non-alcoholic craft beer manufactured in Australia and containing native botanical sourced from Indigenous producers, to engage in a discussion about societal issues with alcohol consumption, and breaking down the stigma of socialising sober.

Founded by Gamilaroi man and psychologist, Clinton Schultz, Sobah functions from the philosophies of Gamilaraay Lore '*dhiriya Gamil*' along with other lessons he has been fortunate to learn from Elders from around Australia.

These include acting from a position of respecting people, place and the environment; understanding and working towards fulfilling responsibilities that we are connected to; and, engaging in positive reciprocity.





## PRINCIPLE 2: DESIGNING INDIGENOUS IMPACT

Indigenous decision-making and the role and value of Indigenous culture are not adequately recognised in impact measurement and performance frameworks. Furthermore, Indigenous data is often held outside of communities.

The framework advocates the use of cultural indicators in measurement and performance frameworks, where and when appropriate.

To guide Principle 2, the following three sub-principles support its use:

### **Principle 2.1**

Data sovereignty ensures that Indigenous impact data is held by Indigenous peoples.

### **Principle 2.2**

Indigenous impact data is viewed as an asset to creating shared value where Indigenous knowledge contributes to positive outcomes for all Australians.

### **Principle 2.3**

Reciprocity means paying for what you want. Additional data and measurement reporting requirements, such as alignment with investor frameworks, should be funded and resourced by the Impact Investor, not the Indigenous enterprise.



## Aboriginal Carbon Foundation (AbCF)

The AbCF is a not-for-profit company established in 2010 with a vision to catalyse life-changing community prosperity through carbon farming. AbCF aims to build wealth for Traditional Owners and non-Aboriginal carbon farmers, implementing carbon projects that demonstrate environmental, social and cultural core benefits through the ethical trade of carbon credits.

The Human Rights Commission recognised AbCF's strength-based approach to climate innovation solutions and impact outcomes. AbCF supports the development of carbon products and services that benefit both Indigenous and non-Indigenous people and address climate change. It primarily connects Aboriginal communities that supply carbon credits with organisations seeking to offset their carbon pollution. It also provides nationally accredited training for Indigenous rangers in Indigenous-designed Carbon Farming projects.

AbCF's impact strategy has social, environmental, economic and cultural core benefits. They developed and uses an Indigenous to Indigenous (peer-to-peer) strengths based approach to verify the social, economic, cultural and environmental benefits of carbon projects. The Core Benefits Verification Framework is also used in the Cultural Fire Credits program with Firesticks Alliance.

## Firesticks Alliance

Firesticks Alliance Indigenous Corporation is an Indigenous led network reinvigorating the use of cultural burning through learning pathways to fire and land management. It is an initiative for Indigenous and non-Indigenous people to look after Country, share their experiences and collectively explore ways to achieve their aspirations within their diverse regions.

Mentoring and networking through Firesticks strengthens community and Country in a way that is providing practical solutions to deal with the environmental and social challenges we face today.

Implementing traditional fire to enhance ecosystem health within a culturally connected landscapes that improves habitat condition, livelihoods, culture, and connectivity with the land and each other.





## PRINCIPLE 3: POWERING INDIGENOUS IMPACT

Shifting power to Indigenous businesses requires investment processes and relationships to be underpinned by transparency, timely and adequate information and risk sharing.

Systemic inequities within investment processes can inhibit Indigenous businesses from making self-determined decisions. This often forces the Indigenous business into a predefined structure or agreements that the Indigenous participants have had a limited role in creating. This results in compromises to Community and Country impacts over investor-determined reporting outputs or rates of return.

A Right Capital and Right Support approach bridges the gap between existing financial structures and Indigenous-led impact. Patient time horizons, sharing of resources and flexibility are required to achieve long-term impact outcomes and business sustainability.

To guide Principle 3, the following sub-principles support its use:

### **Principle 3.1**

Partnerships need to be values-aligned and based on a foundation of transparency. Investors should be clear about their intentions for investing, how they deploy and manage capital, and keep Indigenous participants up to date about any changes that may affect the outcomes.

### **Principle 3.2**

Cater for long-term investment horizons. Longer time horizons for investments enable an environment for learning and growing with the Indigenous business.

### **Principle 3.3**

Remove systemic barriers within the investment processes so that Right Capital can be, deployed to Indigenous businesses. This could mean developing financial products that are more suitable to the requirements of the Indigenous enterprise to enable long-term sustainable impact outcomes.



## International Funders for Indigenous Peoples

International Funders for Indigenous Peoples is the only global group dedicated to funding Indigenous peoples around the world. For the past seventeen years, IFIP has built momentum toward a new movement in philanthropy that recognizes Indigenous communities as high-impact investments.

*"Indigenous funding can be both exciting and frustrating. Because Indigenous funding has lagged so far behind other sectors of philanthropy, and because Indigenous People seek more holistic approaches that value Indigenous knowledge, new projects may not fit easily into existing granting criteria or program models."*

Taking a systems approach to improve funding for issues of importance to Indigenous Peoples, IFIP brings about change by assisting funders to improve the quality of funding for the self-determined development of Indigenous People, with self-determined development interpreted as the ability of Indigenous communities to preserve, evolve and transform social, political, economic and cultural systems in line with their priorities. IFIP educates its members and allies to practice a new paradigm of giving based on "The Four R's of Indigenous Philanthropy"- Respect, Reciprocity, Responsibility and Relationships.

## First Australians Capital

First Australians Capital (FAC) is an Indigenous-led organisation that backs the cultural, creative and economic strength of First Australians to become full, free agents in driving their own economic futures.

FAC provides a range of tailored solutions to build capacity and support investment readiness of businesses. FAC also provides access to "Right Capital" through its own catalytic and impact funds, and for those that are ready for mainstream finance, supports referral pathways to banks and financial institutions for co-investment.

*"Our purpose is to accelerate the Indigenous economy through unlocking capital and supporting Indigenous entrepreneurs to grow sustainable enterprises."*

**- First Australians Capital**





# FRAMEWORK PRACTICES

Practices to consider when engaging in Indigenous Impact Investing

## PRACTICE 1: IMPACT MEASUREMENT

Indigenous businesses lead the development of their impact strategies and implementation plans through appropriate support. They should have access to tools and templates to develop their Impact Plans.

These Plans can cover the essentials of why, what, where, when and how the objectives will realise positive outcomes and impact for First Australians—Country, Culture & Community—incorporating strengths and social and well-being plans.

Storytelling is often an important aspect of impact monitoring for Indigenous peoples. Sharing stories builds trust and creates a depth of understanding that quantitative data sometimes cannot achieve. Indigenous people will determine how, where and when storytelling is appropriate.

### To enable Impact measurement:

- Prioritise indicators that matter to the Indigenous business
- Measure what matters – maintain simplicity while the types of indicators and metrics are being decided and developed.
- Invest in systems to support the collection and sharing of impact data. *Be aware that the infrastructure to support Indigenous businesses may not have been provided or had time to develop. Providing appropriate resources to support capacity building in data management is essential.*
- Embrace culturally aligned methods for data collection, such as storytelling and sit in the complexity of the information being shared.
- Listen and be supportive about the issues that matter to Indigenous peoples, even if you don't understand them.



### PRACTICE 2: OWNERSHIP OF DATA

The framework supports the ownership of impact content by Indigenous stakeholders. This relates to how decisions are made, how data is held and shared.

The use of existing guidelines and frameworks, such as the Sustainable Development Goals, can support data measurement and management, however they should not inform decision-making on behalf of Indigenous communities or be used to exclude Indigenous businesses from access to funding. Recognise that these resources are designed to assist investors, they might not help the Indigenous enterprise.

The additional burden on Indigenous businesses to record and report information that is not relevant in informing their decision-making generates additional resourcing requirements. The framework advocates that, as part of Indigenous impact investing, funding also should be provided for impact data frameworks, systems and reporting if these are necessary.

#### **To uphold Indigenous data ownership:**

- Ensure the Indigenous business owner holds the data.
- Create upfront agreements about what, who, when the data is shared and reported. Be prepared to pay for data collection and measurement.
- Assist Indigenous businesses to access other datasets that can inform their decision-making.
- Avoid over-engineering data requirements at the outset. Allow Indigenous decision-makers to pave their own path to success. *Recognising that reporting and metrics are essential, agree to achievable goals for both the investor and the Indigenous business at the outset and let broader outcomes develop over time.*
- When aligning with global reporting standards, do this at the point of reporting, rather than pre-determining outcomes and ensure sufficient funds and resources are provided to meet reporting needs.



## PRACTICE 3: ALLYSHIP AND PARTNERSHIPS

Influencing systems and structural changes in the private and public sectors will increase Indigenous businesses and people's opportunities. This includes catalysing economic justice and disrupting power dynamics to achieve greater equality.

In forming partnerships, Indigenous businesses tend to take a relational approach. This is important for building trust.

The framework, through adoption and practice, will also play a key role in influencing systems change for a more equitable impact investment market in Australia.

### To enable allyship and partnerships:

- Share lessons and success stories on supporting Indigenous businesses with the Impact investment industry
- Approach Indigenous businesses with a view to creating an equal partnership.
- Share your network to Indigenous businesses - this can include any and all parts of the business ecosystem in which Indigenous people have not been able to participate.

## IMPLEMENTATION

Engaging with and implementing these practices into your organisational governance structures will require support from Indigenous practitioners.

We are happy to support any organisations that are looking for the right Indigenous engagement partners to find consulting resources that are suitable for you and encourage organisations to utilise resources such as Supply Nation to support the search for partners in this process.



# REFERENCES

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# AN INVITATION

We recognise that some of the themes, truths, topics, principles and practices in this framework may be new to investors. We encourage you to use this framework and incorporate it into your investment processes.

First Australians Capital and Indigenous Impact envision this framework to be the start of charting a new course between impact investing and Indigenous business development. This framework is also an important tool to further engage with investors, and broader markets, on where resources might be prioritized to facilitate greater levels of Indigenous impact investing and self determination in Australia.

If this framework appeals to you and your organisation, and you see an opportunity to support Indigenous economic development through investments, we would love to support your next step in this process and help you to engage with the right stakeholders to develop your strategy.

## **Indigenous Impact**

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## **First Australians Capital**

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