

What is a Scalable Unit of Impact?

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Core Definition: The *Scalable Unit of Impact (SUI)* is the smallest measurable, attributable, and independently verifiable increment of environmental or social outcome produced by a single application of a company's core product or service, defined at a level of granularity sufficient to (a) distinguish the enterprise's contribution from counterfactual outcomes, (b) accumulate across applications to produce auditable aggregate impact, and (c) serve as the basis for financial instrument design and investor risk pricing.

Why "Unit"?

Impact measurement has long operated at the portfolio or programme level — reporting aggregate tonnes of CO₂ avoided, number of beneficiaries reached, or hectares restored. This aggregate view serves narrative purposes but fails investors who need to price risk at the asset level. The SUI concept borrows from the logic of the **unit of account** in accounting and the **unit test** in software engineering: before you can trust the aggregate, you must be able to verify the smallest repeatable element.

A SUI is, in essence, the *atomic unit* of an enterprise's impact claim. If the SUI is well-defined, the enterprise's total impact claim is simply the count of successful SUI applications multiplied by the per-application magnitude — an equation any investor or auditor can verify.

Why "Scalable"?

The word "scalable" does two things in this definition:

1. **Replicability:** The same unit — defined with the same parameters and verified against the same baseline — must be producible in application 1 and application 1,000,000. If the unit changes materially as the enterprise scales, it is not a SUI; it is a project-specific estimate.
2. **Financial leverage:** A verified, replicable unit of impact is the building block for financial instruments — green bonds, blended finance tranches, results-based payments — that reward scale. The SUI is

scalable not just operationally but *financially*.

What a SUI Is Not

Concept	What it measures	Why it is not a SUI
ESG Score	Portfolio-level rating	No attribution to a single product application; not verifiable at unit level
Carbon Credit	Verified tonne of CO ₂ e avoided or removed	Closest analogue, but credits are typically aggregated project-level, not per-application
SDG Alignment	Goal-level contribution claim	No quantitative unit; does not support financial instrument design
KPI / Output Metric	Activity measure (units sold, sessions held)	Outputs, not outcomes; no baseline or counterfactual
IRIS+ Metric	Standardised indicator (e.g., PI7685)	Defines what to measure but not the per-application verification protocol

The SUI in One Sentence

If a company can say: *"Every time a farmer applies one dose of our biostimulant to one hectare, we displace 102.4 kg CO₂e of synthetic fertiliser — verified against a documented counterfactual by an independent third party, recorded in our Single Source of Truth system, and accumulated into an auditable impact ledger"* — that company has a SUI.

Historical Context

The SUI concept emerges from the convergence of three trends that matured between 2018 and 2025:

1. **Impact measurement standardisation** — IRIS+ 5.x, TNFD, IFVI, and AIMM created common taxonomies that made cross-company comparison possible for the first time.
2. **Blended finance structuring** — Results-based finance instruments (Development Impact Bonds, Green Outcome Bonds) demonstrated that verified impact units could trigger financial flows, creating demand for reliable unit-level verification.
3. **Climate startup ecosystems** — Accelerators like ClimateLaunchpad and MassChallenge began encountering hundreds of startups making impact claims that investors could not price. The SUI emerged as a practical answer to the question: "What is the smallest verifiable thing your product does?"

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