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ANNUAL REPORT 2017

Launch of a new standard to
accelerate progress to climate
security and the Sustainable
Development Goals



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LETTER FROM OUR CEO



The year 2017 was one of new beginnings. During the previous two years, we had focused on building the vision and foundation for Gold Standard for the Global Goals. On 10 July 2017, the standard officially took flight. This next-generation standard represents the integration and evolution of more than a decade of experience across a breadth of climate and development work – poised to accelerate progress toward the Paris Agreement and the broader Sustainable Development Goals (SDGs).

In the second half of the year, our energy was directed at helping projects prepare for the transition to the new standard and initiating new programmes to bring the standard to market along with its varied certification pathways - from community based health and gender impacts to large-scale sustainable urban development. We also announced a promising partnership with the UNFCCC Secretariat centred on developing practical tools to help projects maximise and credibly report on their SDG impacts.

Fortunately, 2017 showed strong signals in the voluntary carbon market. We saw growth in new project initiations, higher issuances and record retirements. It's clear that the urgency for strong climate action is becoming undeniable and the private sector is increasingly willing to play a lead role. We're pleased to be working with market players, civil society, and the business community to 'future-proof' the voluntary market for the new paradigm presented by the Paris Agreement and introduce new solutions that can mobilise more finance for climate security and sustainable development for all.

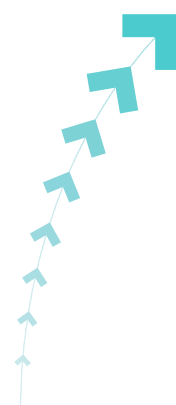
Thanks to all our partners and supporters for helping to make 2017 a banner year. We look forward to continued collaboration in the years to come.

Marion Verles
CEO of Gold Standard

An aerial photograph showing terraced rice fields in a lush green landscape, with a river flowing through the upper right portion of the image. The fields are separated by narrow paths and are surrounded by dense tropical vegetation, including palm trees.

WHAT WE DO

Catalysing more ambitious action to achieve the Global Goals

A decorative graphic consisting of a series of teal arrows pointing upwards and to the right, arranged in a diagonal line.

Established in 2003 by WWF and other international NGOs, Gold Standard is a standard and certification body that stands for the best that can be achieved in climate and development projects.

We have always understood that climate action cannot be one-dimensional. That is why our standards have always ensured that every project contributes to local sustainable development while reducing greenhouse gas emissions. In this way, climate action also leads to impacts like new jobs, better gender equality, improved health, and the protection of natural ecosystems, biodiversity and endangered species.

In 2017, we launched Gold Standard for the Global Goals, a next-generation standard designed to accelerate progress toward the Paris Climate Agreement and the 2030 Agenda for Sustainable Development.

By quantifying, certifying and maximising the impacts of climate and development projects toward climate security and sustainable development - businesses, governments and investors are provided with new opportunities to accurately measure and report progress toward specific Sustainable Development Goals.

To find out more, visit www.goldstandard.org

VALUES

Our guiding principles



PIONEERING

For nearly 15 years, Gold Standard has shown how climate finance can achieve its highest potential. Now, we're pushing this further, creating innovative new standards, programmes and tools to deliver impacts at a greater scale.



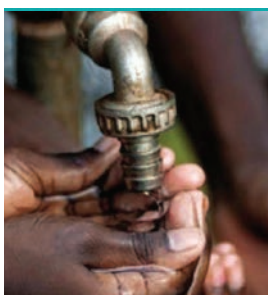
COLLABORATIVE

To realise our ambitious vision of climate security and sustainable development for all, collaboration is key! We work with NGOs and strategic partners who share our goals and complement our strengths and are always on the look-out for new opportunities for collaboration.



RIGOROUS

We are building upon our reputation for quality and rigour with more robust measurement of outcomes, stronger safeguards and greater impact across the Sustainable Development Goals.



TRANSPARENT

We were established to bring confidence, trust, and accountability to climate markets. We will continue to take strides to improve transparency in our own processes and the broader market.



CERTIFIED PROJECTS

Positive impact built to last

COMMUNITY SERVICES PROJECTS

Climate protection projects that provide or improve access to services at household, community or institution level.

Improved Cookstoves

16.6 million
tonnes of CO₂
reduced from
700+ projects

The WHO estimates that exposure to smoke from the simple act of cooking is the fourth leading risk factor for disease in developing countries, causing 4.3 million premature deaths per year. Energy efficient clean cookstoves significantly reduce indoor air pollution, use far less wood resulting in tremendous time and cost savings for other activities like caring for children, study, or work. And because of reduced forest degradation, clean cookstoves also help conserve biodiversity and protect natural ecosystem services like water purification.

Community-Based Biogas Energy

4.7 million
tonnes of CO₂
reduced from
420+ projects

Biogas projects provide a great many benefits outside of reducing emissions, including new employment opportunities, improved health benefits from better air quality and reduced deforestation - protecting biodiversity and ecosystem services. The waste used for powering the plants is taken from the villages, ensuring that it does not contaminate groundwater or pose other risks to local health and the residues from the fermentation process can be used as organic fertilizer, increasing crop growth and yields.

Safe Water Access

6.8 million
tonnes of CO₂
reduced from
90+ projects

These projects provide people with greater access to safe drinking water. The projects displace the use of firewood for boiling water, significantly reducing emissions and alleviating pressure on local woodlands. Furthermore, they reduce indoor air pollution, improving health and living conditions for local families, and provide economic benefits such as new job opportunities and less time and money spent acquiring fuel for cooking.

Renewable Energy

Gold Standard community services projects also include renewable energy projects such as wind, solar, hydropower, geothermal that are connected to mini-grids or off-grid solutions.

Water Access, Sanitation and Hygiene (WASH)

143 thousand
tonnes of CO₂
reduced from
420+ projects

Water-borne disease kills an estimated 840,000 people every year and two billion people suffer endemic disability from a lack of clean water and sanitation. It's also a fundamental barrier to climate resilience. Gold Standard WASH projects provide access to clean and safe water whilst improving local hygiene and sanitation conditions. These projects issue Water Benefit Certificates, a certificate assuring proven environmental and socio-economic outcomes, including preventative health benefits and self-sustaining public health solutions.

WASTE MANAGEMENT

These projects help regions and cities manage the huge amounts of solid waste that heavily burden the municipal infrastructures and local environment.

Waste management and handling

11 million
tonnes of CO₂
reduced from
110+ projects

Waste management and handling projects create value from waste, enhancing livelihoods and empowering communities. The scope includes all waste handling activities that deliver an energy service or a usable product that has sustainable development benefits (e.g. composting).



LAND USE & FORESTS

Afforestation/Reforestation projects or agricultural activities that contribute to the achievement of the Sustainable Development Goals.

Forestry Projects

1 million
tonnes of CO₂
sequestered from
10+ projects

Afforestation is the establishment of a forest in an area that previously was not forested. Reforestation is the re-establishment of forest, either naturally or by direct seeding or planting. The key benefit of Afforestation and Reforestation projects lies in trees. As they grow, the trees absorb and hold CO₂, contributing to global carbon reduction. In addition, Afforestation and Reforestation projects provide other ecological and social benefits by increasing biodiversity and creating employment opportunities.

Improved Agriculture

With climate change, water scarcity and land degradation as well as the need to produce 50% more food to feed an expected 9.1 billion people by 2050, global food production must increase in real terms by 75% to provide enough food. Gold Standard certified agricultural projects work to ensure food security by empowering smallholder farmers to produce more with less, increasing agricultural productivity and the income of smallholders, whilst helping them to adapt and build resilience to climate change.



RENEWABLE ENERGY PROJECTS

Supply renewable energy to a national or a regional grid.

Renewable Energy

35.6 million
tonnes of CO₂
reduced from
1000+ projects

Utilising resources that do not deplete these projects represent tremendous progress towards a future free of fossil fuels. Just as important, these projects help countries economically and politically by reducing dependence on energy imports. Renewable energy projects realise outcomes in climate security, biodiversity conservation and ecosystem services. Livelihoods of the poor are improved both through the creation of new local employment in construction and operations, and technology transfer to local communities. Eligible renewable energy projects eligible under Gold Standard include: photovoltaic, tidal/wave, wind, hydro, geothermal, waste to energy and renewable biomass.





NETWORKS

We're a proud member of the following networks

- » ISEAL Alliance (as a subscriber seeking full membership)
- » UN Sustainable Development Solutions Network
- » Carbon Pricing Leadership Coalition
- » CERES Coalition
- » International Renewable Energy Agency (IRENA)
- » Natural Capital Coalition
- » Climate Ledger Initiative
- » Climate Chain Coalition

STRATEGY

Theory of change and 2030 vision

Impact by 2030

By 2030 Gold Standard will create \$100 billion in shared value for climate action and sustainable development.

Theory of change

If Gold Standard creates robust standards for climate and development projects, with the goal of enabling the measurement and monetisation of climate and sustainable development outcomes, then by 2030 it will have created \$100 billion in shared value for climate action and sustainable development.

Mission

To catalyse more ambitious climate action to achieve the Global Goals through robust standards and verified impacts.

Vision

Climate security and sustainable development for all.

IMPACT

Reducing emissions worldwide

In 2017, Gold Standard projects reduced over 14 million tonnes of greenhouse gas (GHG) emissions from the atmosphere, for a cumulative sum of 78 million tonnes since 2008 – enough to account for the annual emissions of nearly 8.5 million homes in the US.

The table below provides a breakdown of these emission reductions - also known as carbon credits. It also shows the number of voluntary market carbon credits retired (e.g. used to compensate a carbon footprint) in 2017.

Table 1: Issuances and retirements of emission reductions

	Q1	Q2	Q3	Q4	2016 Total
CERs issued	713,702	735,781	740,271	789,599	2,979,353
VERs issued	2,672,477	2,134,607	2,919,859	3,308,256	11,035,199
Planned Emission Reductions (Afforestation/Reforestation)	7,189	25,837	0	25,299	58,325
Total Issuances	3,393,368	2,896,225	3,660,130	4,123,154	14,072,877
Total retirements of VERs	2,343,486	2,038,188	1,400,090	2,162,746	7,944,510

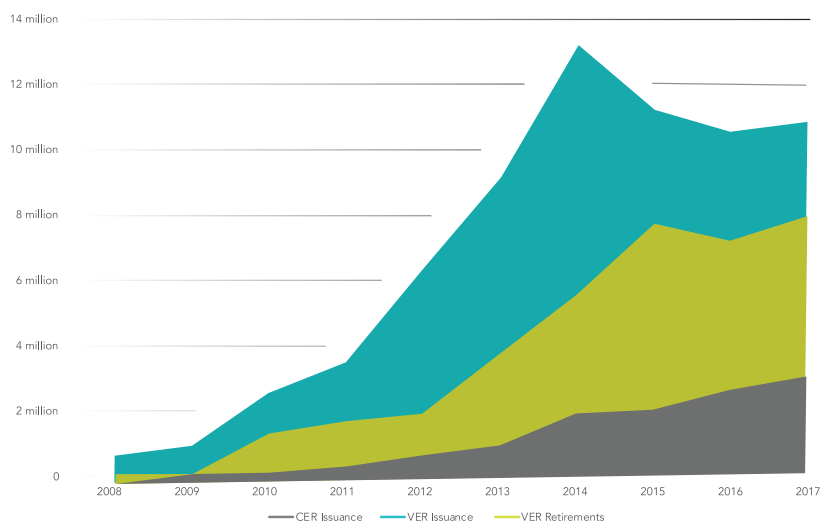


Figure 1: Year-on-year emission reduction issuance and retirement figures.

The table below summarises the distribution of Gold Standard Emission Reductions (ERs) issued and retired by project type in 2017.

Table 2: Issuance and retirements in 2017 by project type

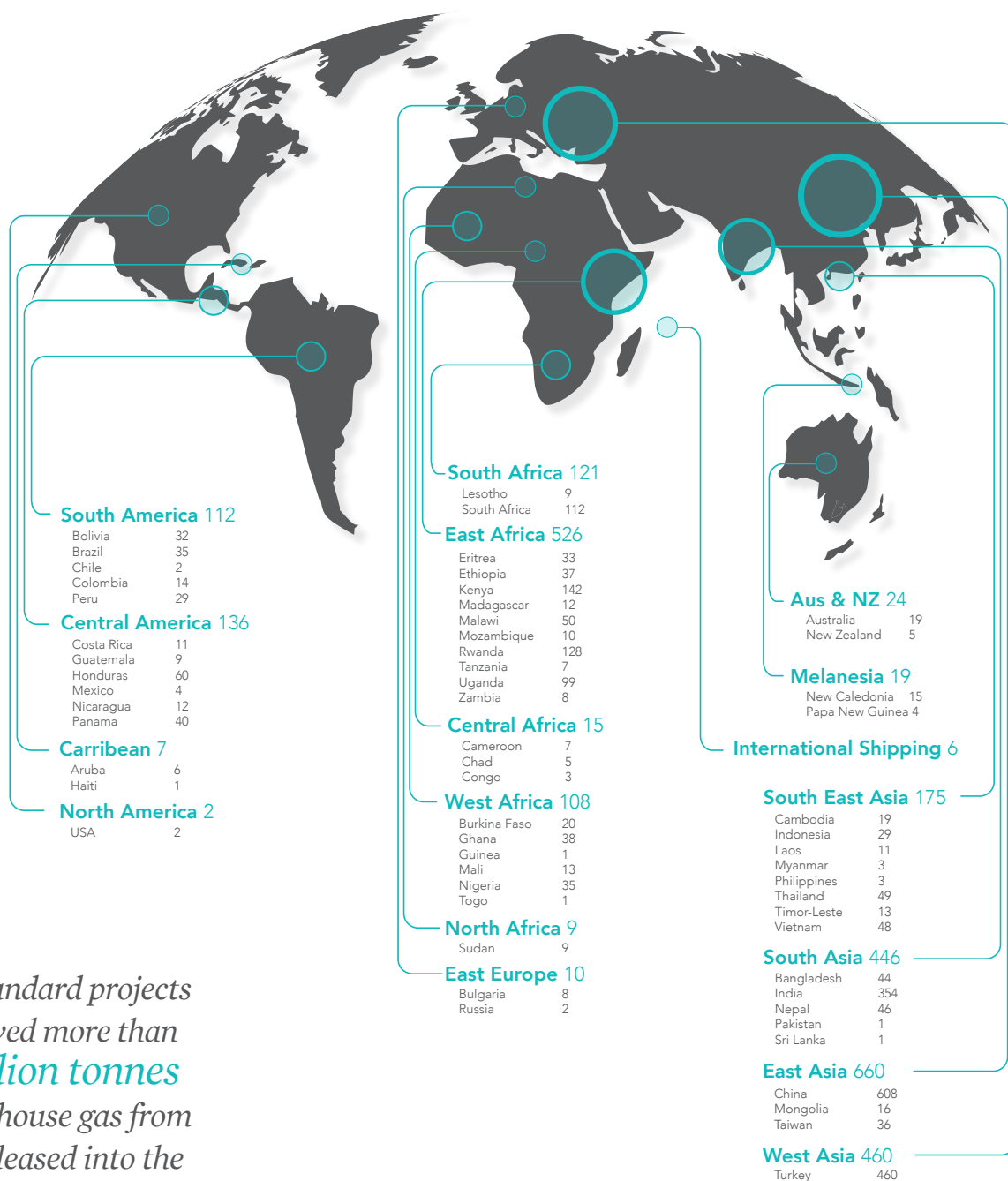
	ERs issued in 2017	ERs retired in 2017
A/R	782,255	252,506
Biogas	511,088	701,274
Biomass	420,294	120,421
Geothermal	0	25,055
Hydro	164,147	114,746
Solar	595,522	352,307
Wind	3,190,247	1,790,990
Cookstove	2,586,840	3,072,392
Energy Efficiency - Agriculture	0	8,103
Energy Efficiency - Domestic	312,348	157,087
Energy Efficiency - Other	398,213	85,794
Water Purification	912,837	794,112
Waste Management	1,161,408	469,723



IMPACT

Projects around the world

Figure 3: In total, 2,836 Gold Standard projects have reduced or saved emissions reductions. This graphic shows where these projects are located.



“Gold Standard projects have saved more than **78 million tonnes** of greenhouse gas from being released into the atmosphere – comparable to the annual emissions from Austria.”

”



IMPACT

Delivering shared value

A comprehensive and independent valuation commissioned by Gold Standard in 2014, found that Gold Standard certified projects deliver between \$21 and \$177 in additional value toward the Sustainable Development Goals for every tonne of CO₂ mitigated. This means that by the end of 2017, our projects have created over \$4 billion dollars in shared value for climate action and sustainable development.

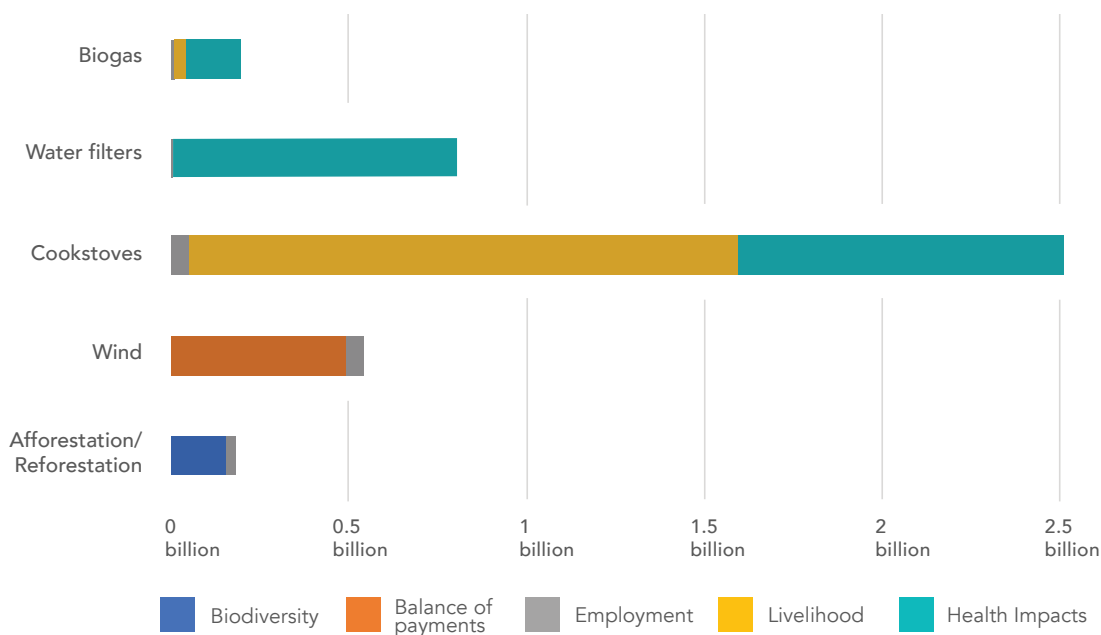


Figure 4: Additional environmental and socio-economic benefits delivered by Gold Standard Projects

“Through 2017, Gold Standard certified projects have created over **\$4 billion** dollars in shared value for climate action and sustainable development.”

2017 ACHIEVEMENTS

Launch of Gold Standard for the Global Goals



Gold Standard®
for the **Global Goals**

With the ambitious 2030 Agenda, we have engineered Gold Standard for the Global Goals to ensure that climate action also contributes to the SDGs in a meaningful and measurable way. Following the integration of our previous standards for energy, water and land use, and multiple rounds of extensive public consultation, in July 2017 we formally launched this holistic, next-generation standard.

Key developments:

- » **Holistic design to manage trade-offs:** To maximise a broad range of positive outcomes while preventing unintended adverse impacts.
- » **Affected stakeholder engagement:** Customised requirements for stakeholder consultations to better reflect project context and scale.
- » **Enhanced safeguards:** Reflecting emerging research and practical experience gained over years of project implementation with a focus on Gender (SDG 5) and Water (SDG 6).
- » **Certified impacts to multiple SDGs:** Delivering impact toward climate security (SDG 13) as well as two additional SDGs, tracked to the SDGs at the Target level, verified by approved third-party auditors and certified by Gold Standard.
- » **First-ever claims guidelines:** To assist project developers, partners and funders in communicating accurately about the benefits derived from Gold Standard certified projects and to ensure highest levels of credibility and trust.
- » **Dynamic online standard documentation:** To enhance access to requirements, templates and methodologies and provide intuitive linkage among standard components for any type or size of project.



2017 ACHIEVEMENTS

Building a stronger standard

Gold Standard Strategic Governance

We welcomed two new members to our Gold Standard Board. Ana Toni, Executive Director at Instituto Clima e Sociedade and Co-Founder of GIP Public Interest Management and Dr. Meinrad Burer, Director of Research & Development, EcoAct. Both bring a wealth of experience, from public policy, advocacy and campaigning work to expertise in energy and climate policies, modelling and optimisation of energy systems, and low carbon and climate resilient development pathways.

We also created a panel of Senior Advisors to provide independent expertise and counsel to both the Board and Secretariat. This panel includes Dr. Silke Karcher, Head of European Climate and Energy Policy and New Market Mechanisms at the German Federal Ministry (BMU), Daniel Wiener, an economist, author and specialist in sustainable development, finance and urbanization, Timothy King, Head of Research at Australia Equities Core and Scott Harder, Founder and CEO of Environmental Financial Group.

ISEAL membership application

In December 2017, we formally submitted our application to ISEAL, the global association of credible sustainability standards. Gold Standard became an ISEAL subscriber in 2016 and developed Gold Standard for the Global Goals in line with ISEAL requirements. In preparing for full ISEAL membership, we have undergone a rigorous assessment of our own processes and governance against ISEAL's Credibility Principles and Codes of Good Practice, with a goal of improving certification for greater quality, efficiency + transparency.

Increasing standardisation in certification process

To provide better support for project developers and drive greater consistency in timelines for certification reviews, Gold Standard restructured certification services and implemented a new IT system to deliver improvements:

- » **Automation of certification review process:** through a customer relationship management (CRM) system to streamline reviews.
- » **Updates to our Quality Assurance (QA) approach for reviews:** led to significant decreases in review delays, with our CRM records showing a 77% improvement.
- » **A dedicated helpdesk:** that caters specifically to certification related queries and requests for assistance to increase accessibility.



2017 ACHIEVEMENTS

Strategic initiatives

Strategic initiatives and their supporting programmes are geared to help develop, deploy and scale the full range of climate and development interventions that are possible under Gold Standard for the Global Goals.

ENVIRONMENTAL MARKETS

Gold Standard for the Global Goals maximises the positive impacts – and associated value – of assets in carbon markets and renewable energy markets to ensure environmental integrity and contributions to sustainable development.

Launch of new Renewable Energy Label

Increasingly, businesses are setting ambitious renewable energy targets to spur the global transition to clean energy. In 2017, with support from South Pole and the International Overlook Foundation, Gold Standard developed a Renewable Energy Label to help ensure that investments in RECs effectively adds 'new' renewable capacity to the electricity grid, increasing the positive climate impact of these market instruments. This label adheres to core Gold Standard principles – guaranteeing projects follow strict social and environmental safeguards and contribute to sustainable development. The label is initially relevant for RECs issued under the International REC (IREC) standard, is applicable under RE100 and the GHG Protocol, and provides new opportunities for renewable energy project developers wanting to attract alternative forms of finance to their projects.



Market development

Gold Standard is committed to help increase the flow of private sector finance to flow to climate protection projects around the world. The team focused on a series of initiatives in 2017 to work toward continuity of the voluntary carbon market in the era of the Paris Agreement and scaling voluntary climate action.

- » **Future-proofing the voluntary carbon market:** In 2020, a significant share of voluntary carbon projects will be hosted in countries that have pledged targets under the Paris Agreement. This presents the possibility that the emission reductions from such projects may be 'double counted' – accounted in national pledges and then also counted in offset purchases made by corporates or individuals. Supported by the German Government and in collaboration with the market, Gold Standard initiated a programme in 2017 to future-proof projects against this risk of double counting.
- » **Policy Dialogue on Implementation of Sustainable Development in Article 6:** This series of moderated roundtable discussions aims to explore, analyse and understand different stakeholder views on the options to operationalise the sustainable development provisions in Article 6 of the Paris Agreement. The Dialogue is supported by Germany, Switzerland and Liechtenstein and brings together the views of 30 Parties.
- » **Mainstreaming climate finance:** We continued our collaboration with CDP and WWF to develop Corporate Climate Leadership guidelines with a key focus on increasing commitments to climate finance, through carbon credits and other means. Gold Standard also increased investment to raise visibility with corporate sustainability professionals to highlight the value associated with supporting Gold Standard-certified projects.
- » **Gold Standard project marketplace:** The Gold Standard online project portfolio was created several years ago to highlight the impact that Gold Standard-certified projects deliver to communities all over the world. In 2017, we launched a pilot programme to feature projects in an online marketplace. Individuals and small businesses can quickly and easily purchase carbon credits online, helping to finance climate protection projects. As of the end of January 2018, the platform led to the retirement of over 2300 credits, earning income for those project developers who chose to feature their projects. View our [Project Marketplace>>](#)

In 2017, total issuances of Gold Standard credits increased by 6.5% (+700,000 credits) from 2016 and voluntary retirements increased nearly 10% (+750,000k credits) compared to 2016. Ecosystem Marketplace's State of the Voluntary Carbon Market report shows that Gold Standard market share rose from 19% to 23% in the voluntary market and that the average price of Gold Standard carbon credits increased from \$4.3 to \$4.6 per tonne.

RESULTS-BASED FINANCE FOR DEVELOPMENT

Certified impacts toward the SDGs allow for innovative pay-for-performance financing structures for development agencies, foundations, and other donors.

A framework to quantify progress toward UN goal to ‘Empower all women and girls’

With support from the Grand Duchy of Luxembourg, Ministry of Sustainable Development and Infrastructure – Department of Environment, Gold Standard convened a working group of gender experts from the International Council for Research on Women, International Finance Corporation, Global Alliance for Clean Cookstoves, World Bank and others to build new Gender Guidelines and Requirements for use under Gold Standard for the Global Goals.



This important programme embraces the fact that women are central to climate change mitigation and adaptation. The framework's Gender-Sensitive Requirements features strengthened safeguards and guidance for local stakeholder engagement to ensure women are provided with an equal voice and agency in project design, which enables all projects certified to Gold Standard for the Global Goal to claim to be "Gender Sensitive." The Gender-Responsive Guidelines provide credible ways to measure and report on contributions to SDG 5 – gender equality. The framework was developed and submitted for public consultation in 2017.



Building capacity to help finance climate and health SDG impacts

In 2016, with support from the World Bank, Goldman Sachs, World Vision Australia and Australian Aid, Gold Standard developed a new methodology to quantify the health impacts for clean cooking and lighting interventions for households. Using Averted Disability Adjusted Life Years (ADALYs), a commonly used metric for public health reporting, this methodology provides a credible way to measure progress towards multiple Sustainable Development Goals.



Because quantifying health benefits is relatively complex and can be expensive, the World Bank Group contracted Gold Standard in 2017 to develop an enabling infrastructure and build capacities for applying this new methodology. This was achieved through:

1. **IT integration:** The methodology has been integrated into existing IT tools such as the Household Air Pollution Intervention Tool (HAPIT) and Gold Standard's proprietary web-based Cookstove IQTM tool.
2. **Capacity development:** A new Technical Reference Manual and online tutorial provide guidance on the key requirements of the methodology, details of monitoring approaches and information on regional monitoring + testing. Regional training workshops held in India, Peru, Ghana and Thailand and online webinars supported capacity building.
3. **Guidance on selection criteria:** High level criteria and associated indicators help project developers select countries where clean cooking interventions would generate the greatest health impact.



CORPORATE CLIMATE + SDG REPORTING:

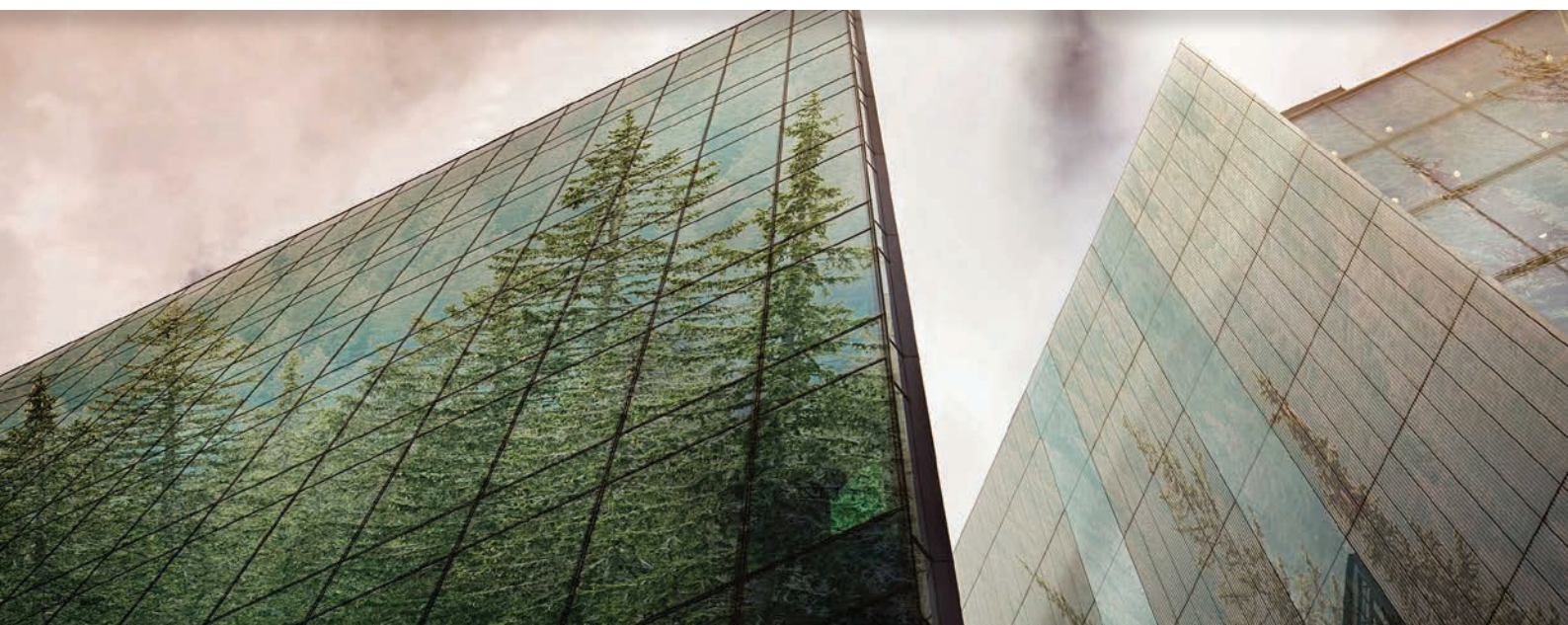
Using Gold Standard for the Global Goals for sustainable supply chain programmes enables credible, third-party verified claims for Scope 3 GHG accounting, while also capturing additional SDG impacts for reporting.

Value Chain Emission Accounting Framework

To ensure long term success, a growing number of companies are looking at the climate impact of their value chains. Indirect emissions (scope 3) often represent the largest source of emissions for an organization. With support from Climate KIC and the Livelihoods Funds, we are working with the World Resource Institute, WWF, CDP, Science Based Targets, Danone and Mars to develop a programme to create a cost effective yet credible pathway to verify scope 3 emission reductions, providing much needed accounting and certification solutions to corporates committed to reducing their climate impacts and risks. A draft version of this programme will be released for consultation in 2018.

Corporate Climate Leadership

We continued to work with our partners CDP and WWF on co-developing best practice guidelines for climate action in the Paris Agreement era. These guidelines provide practical advice on how to elevate climate strategies from carbon management to climate stewardship. With the overarching message to 'reduce within; finance beyond', they encourage corporates to mitigate their own greenhouse gas emissions in line with science, while also in supporting developing countries' transition to low-carbon development. In 2017, we held a public consultation and received stakeholder feedback to fine tune the guidelines for a 2018 launch.



LARGE-SCALE CLIMATE AND DEVELOPMENT PROGRAMMES:

To support urgently-needed scaling up of climate and development action, Gold Standard for the Global Goals provides practical applications for sustainable urban development and infrastructure as well as fund-level certification and landscape approaches accounting, while also capturing additional SDG impacts for reporting.

Gold Standard for Sustainable Urban Development

Gold Standard for Sustainable Urban Development was launched in July 2017 as a context-level module under Gold Standard for the Global Goals to help urban projects achieve best practice and quantify their climate and development impacts and attract investments for low carbon development in cities. It provides a pathway to certification for urban-scale projects, giving guidance for authorities and project developers to plan, design, implement, monitor, and quantify performance.





2017 ACHIEVEMENTS

Strategic Partnerships

Collaboration with the UN Climate Change Secretariat to Accelerate Progress Towards Sustainable Development Goals (SDGs)

In 2017, Gold Standard signed a formal partnership with the UNFCCC secretariat to create a suite of practical tools that help organisations to contribute to SDGs in a meaningful, measurable and credible way – and to get recognition for doing so.

This collaboration is focused on the development and delivery of a set of tools to quantify and report on the sustainable development impacts of climate actions, including when relevant adaptive capacity and resilience. The work aims to learn, replicate and develop a blueprint to expand the use and applicability of these tools over time. Enabling projects, organisations and investors to demonstrate their contributions towards the SDGs.

Climate Ledger Initiative

In recognition of the transformative power of next-generation technology solutions to scale climate action, Gold Standard joined Climate Ledger Initiative (CLI) in 2017. Together, we are working to accelerate the momentum for climate action under the Paris Agreement by systematically strengthening the intersection between the field of climate change and blockchain and other distributed ledger technologies.

Strategic Partners for Gold Standard for the Global Goals

We are delighted to be working with ClimateCare and EcoAct, as strategic partners in the implementation of our new standard.



2017 ACHIEVEMENTS

Thought Leadership

Ensuring Renewable Electricity Market Instruments Contribute to the Global Low-Carbon Transition and Sustainable Development Goals



This report outlines the measures corporates can take to ensure their investments in renewable electricity result in real-world emissions reductions, new renewable energy capacity and sustainable development benefits.

A New Paradigm for Voluntary Climate Action: 'Reduce Within, Finance Beyond'



This report outlines the measures corporates can take to ensure their investments in renewable electricity result in real-world emissions reductions, new renewable energy capacity and sustainable development benefits.

Funding short-lived climate pollutants (SLCP) reductions and other Sustainable Development Goal impacts linked to clean cooking & heating



Working with the Climate & Clean Air Coalition (CCAC) and the Global Alliance for Clean Cookstoves (GACC), we commissioned research to investigate how the multiple SDG impacts of clean cooking and heating technologies could be brought to market for funders to drive finance to projects on the ground.

View all Gold Standard publications at [>> www.goldstandard.org](http://www.goldstandard.org)



FINANCIALS

Fiscal Year 2017

2017 was a successful year for Gold Standard. With a leaner cost base, we have realised a record high revenue and closed the year with a net profit of \$545k. Increased momentum in the carbon markets had a direct impact on Gold Standard certification revenue, especially during the second half of the year, where we saw a growth in the number of issuances and new project registrations.

Table 1: Income Statement 2015 – 2017

(in USD '000)	2015	2016	2017
Project Certification*	2,847	1,749	2,926
Grant Funding	571	927	815
Other Income	91	30	29
Revenue	3,509	3,707	3,770
Selling, General & Admin**	2,469	2,887	2,462
Registry & Systems	249	265	248
Governance	105	154	45
Marketing & Events	56	100	57
Other	7	10	289
Operating Expenses	2,886	3,416	3,100
Net Financial Income	(47)	(57)	(89)
Extraordinary Income/Expenses	(293)	51	(37)
Surplus (-Deficit) for the Year	283	(715)	545

* includes 'SoP' sale of credits (Share of Proceeds)

** Staff cost, Contractors, Consultants, Admin, Travel, Offices

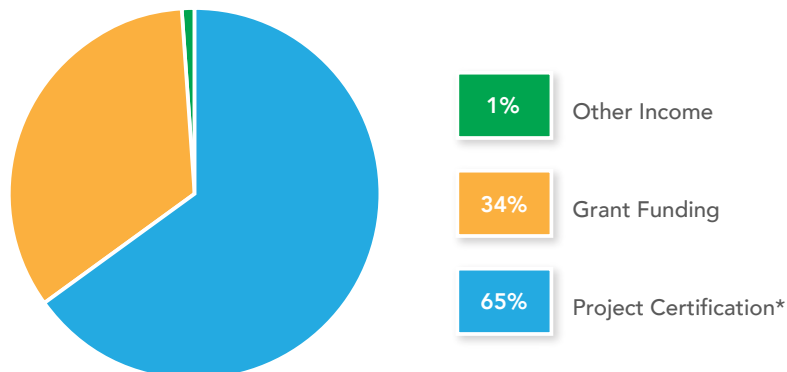
Revenue

From \$3.7m in total revenue, issuance fees (\$1.1m) remain our main source of income and has increased by 60% since 2016. The fee schedule was reviewed late 2016 and once again during the launch of the new Gold Standard for the Global Goals standard mid-2017, leading to an increase in issuance fees and a reduction in registration fees. Grant funding was secured for a number of programmes under our environmental markets, results-based finance for development, corporate climate + SDG reporting and large-scale climate and development strategic initiatives, altogether representing 22% of the revenue.

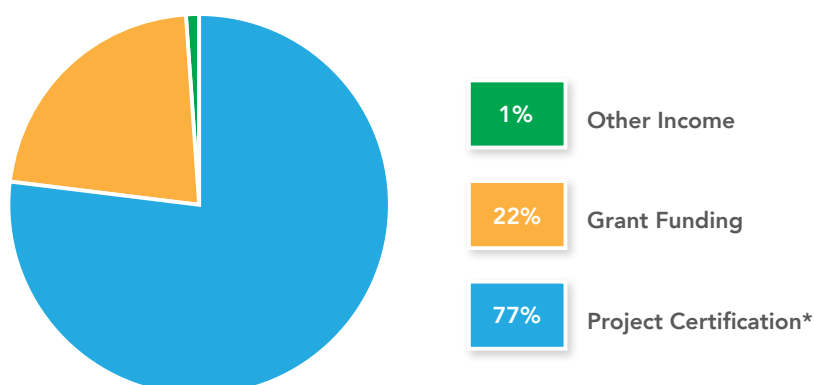
Table 2: Gold Standard Revenue from Certification Fees 2015 – 2017

(in USD '000)	2015	2016	2017
Registration Fees	850	572	348
Issuance Fees	774	706	1,130
Validation & Verification Fund	462	329	479
Fees Other	172	95	380
TOTAL	2,258	1,702	2,338

Revenue 2016



Revenue 2017



Expenses

The Gold Standard cost base was transformed to better adapt to a volatile market. Following a restructuring of our certification processes and technical governance, fixed costs are now leaner which enables a greater flexibility in managing resources. We successfully launched Gold Standard for the Global Goals and completed the work under our funded programmes with less external resources compared to previous years. We also didn't host a Gold Standard conference in 2017 (organised every second year), which further helped to keep operational costs low.



FOOTPRINT

Compensating for our carbon emissions

Our own operations are a model for sustainable working practice. Most staff work at home, thereby eliminating the impacts of commuting. Those who do commute generally do so on public transport or bicycle. For our offices, we use sustainably sourced stationery, we recycle waste material and the electricity purchased for our head office is 100% renewable. We use video conferencing extensively, and our travel policy mandates the use of public transport wherever possible. Where we can't further reduce energy use, we fully offset the carbon emissions of the organisation.

BUSINESS TRAVEL

Transportation Mode	km	tCO ₂
Flight	392,698	109
Train	23,142	3.2
Bus	622	0.1
Car	106	0

ELECTRICITY

Cost (EUR)	kwh	tCO ₂
509.75	2,294	0.5

PRINTING

Cost (EUR)	Total weight (t)	tCO ₂
5000	0.4	0.5
Total tCO ₂		113

Total CO₂ figure

113
tCO₂

50% Buffer

57
tCO₂

Total retired

170
tCO₂

The table above shows the results from our 2017 carbon footprint calculation. We managed to halve our travel in 2017, leading to a 60% reduction in our carbon footprint. To ensure that we have covered all scope 1 and 2 activities, including local public transport and energy usage for our staff who work from home, we have included a buffer of 50%, retiring 57 additional carbon credits on top of that calculated for our footprint. Staff also use Climate Credit Cards issued by cornèrcard for work related purchases, which link activities or purchases with the retirement of carbon credits from Gold Standard projects.

We have offset our emissions by retiring 170 emissions reductions from the following projects:



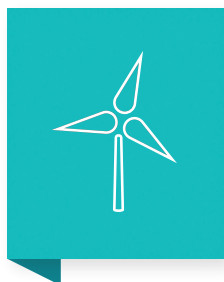
GS849:
SKG Sangha Biogas project in rural India

This project uses cattle dung, kitchen waste water and other organic materials to create energy for domestic needs. The project enables households to become self-sufficient, providing the basic daily fuel necessary for cooking and heating - saving families money and improving air quality and health.



GS1378:
Nanyang Danjiang River Solar Cooker Project, China

The project has distributed 48,000 sets of solar cookers in rural households, benefiting over 172,000 people. Solar cookers use renewable energy instead of firewood or other fossil fuels, significantly reducing indoor air pollution and increasing time and cost savings for other activities like caring for children, study, or work.



GS567:
Amayo 40 MW Wind Power Project, Nicaragua

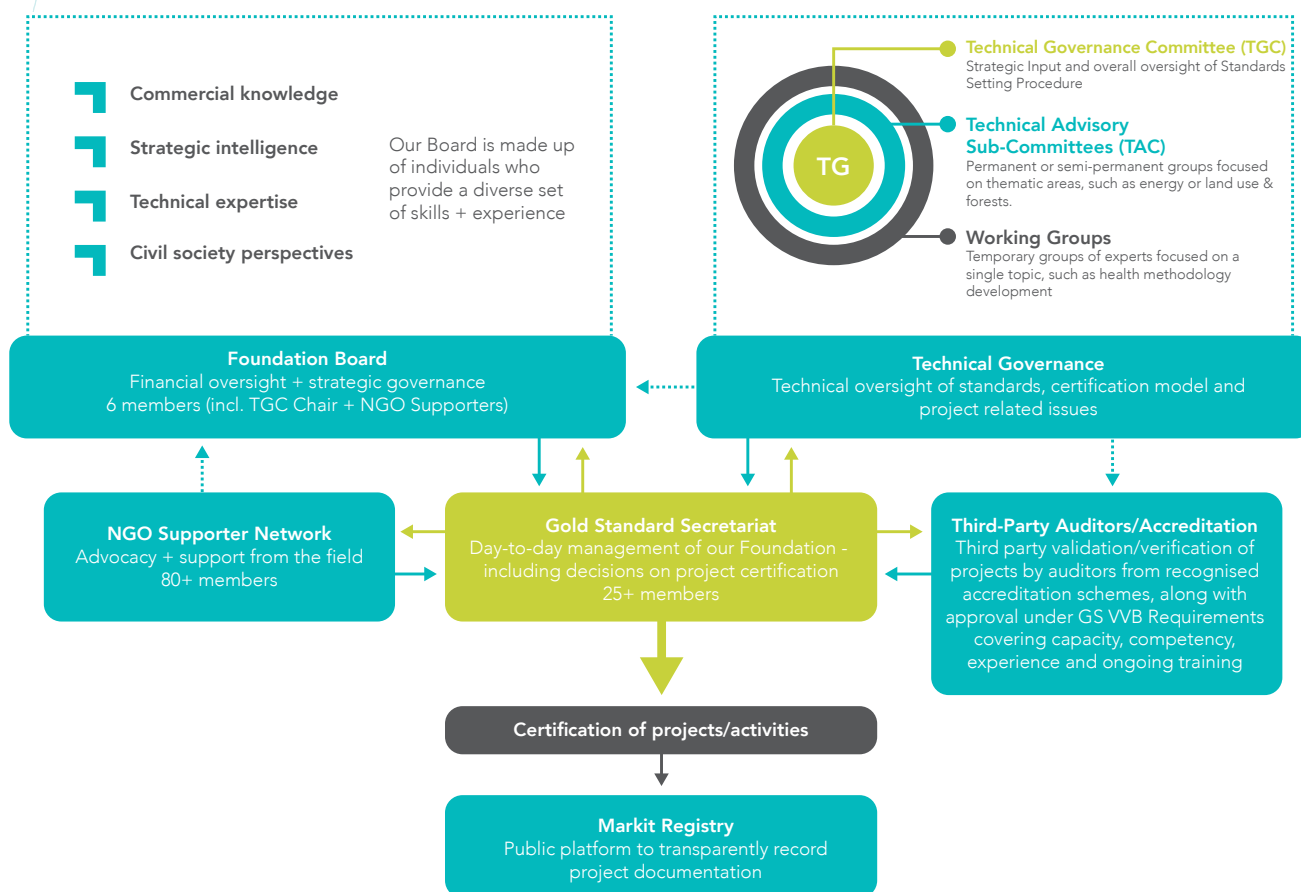
The Amayo Wind Power Project provides affordable renewable electricity to the Nicaraguan grid, helping to reduce dependence on energy imports. The project installed 19 wind turbines, delivering local employment opportunities and displacing 130,000 emissions per year.





GOVERNANCE

Strategic and technical direction and oversight



SPONSORS + PARTNERS

Thanks to our stakeholders

We would like to thank all those that have provided funding to our organisation and its initiatives, in particular with regards to supporting the enhancement of our standard. Their support helps us address the evolving challenges in creating a climate-secure world and delivering sustainable development results and life-changing benefits for vulnerable communities everywhere.

Institutional Partners

Our work in 2017 has been supported by:

Public Institutions



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG



United Nations
Framework Convention on
Climate Change



Güçlü bireyler,
Güçlü toplumlar.

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Organisations



CLIMATE &
CLEAN AIR
COALITION
TO REDUCE SHORT-LIVED
CLIMATE POLLUTANTS



Strategic Partners

We collaborated with several strategic partners to co-create and implement new solutions, including:



Supporters

We would also like to thank all our NGO Supporters and the many other organisations that shared their knowledge, expertise and support for Gold Standard in 2017.





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