**fund design document**

###### PUBLICATION DATE **15.09.2022** VERSION **v. 1.1**

###### CONTACT DETAILS:

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**Summary**

This document details the Impact Strategy of the Fund and contains the following Sections:

* Key Fund Information
* SECTION A - General description of the Fund
* SECTION B - Description of the Monitoring, Reporting and Verification (MRV) plan and Data Management system
* SECTION C - Governance
* SECTION D - Duration of the Fund

The Fund Manager must complete all sections and maintain all necessary supporting records and evidence.

This document (in word) and supporting records and evidence will be subject to third party assessment, along with other required documents listed below:

* [Cover Letter](https://globalgoals.goldstandard.org/t-prereview-cover-letter/)
* [Terms and Conditions](https://globalgoals.goldstandard.org/t-prereview-terms-and-conditions/)

**KEY FUND INFORMATION**

|  |  |
| --- | --- |
| Name of the Fund: |  |
| Name of Enterprise managing the Fund: |  |
| Version of Fund-DD: |  |
| Date of Version: |  |
| Host Country (ies) Targeted: |  |
| Fund-level Sustainable Development Impact Goals  *A minimum of 3 SDGs - one of which must be SDG 13* |  |

* 1. GENERAL DESCRIPTION OF THE FUND
     1. Purpose and general description of the Fund

*>> Describe the Fund including as a minimum:*

1. *the SDG Impact Goals that the Fund seeks to achieve*
2. *how the fund will meet the established Impact Goals*
3. *how the fund will monitor progress towards its Impact Goals*
4. *how the fund will adjust in the interim if it is not on track to meet its Impact Goals*
5. *a statement confirming the Fund will focus on positive SDG impacts while addressing any negative impacts that are expected, or may emerge*
   * 1. Classification of Fund Objectives/Target Sectors
        1. Describe the sectors, technologies and/or measures to be employed and/or implemented by the investments in the Fund.

*>> Include all information necessary to understand how the sectors, technologies and/or measures will achieve the Fund’s objectives*

* + - 1. Classification of Fund Impacts

*>> Classify the investor contribution using the* [*Impact Management Project*](https://impactfrontiers.org/wp-content/uploads/2022/05/A-Guide-to-Classifying-the-Impact-of-an-Investment-2021.pdf) *ABC Classification system below. Please refer to the* [*GS4GG Claims Guideline*](https://globalgoals.goldstandard.org/105-par-claims-guidelines/) *which regulates what claims may be made from Certified Funds.*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Investor Contribution** | **Sectors, technologies and/or measures** | **Act to avoid harm** *(subsuming May and Does Cause Harm)* | **Benefit stakeholders**  *(non-monitored and non-certified SDGs where benefit is expected from the sector/technology etc)* | **Contribute to solutions** *(min. 3 SDGs to be monitored and certified across Fund)* |
| 1 | **Signal that impact matters +**  Engage actively + Grow new/undersupplied capital markets + Provide flexible capital | *Sector/technology Measure 1* | *GS Safeguards eliminate harm* | *SDG (X, n)* | *SDG (X, n)* |
| *Add/delete rows as needed* |  |  |  |
| **2** | **Signal that impact matters +**  **Engage actively + Grow** new/undersupplied capital markets + Provide flexible capital |  |  |  |  |
|  |  |  |  |
| **3** | **Signal that impact matters +**  Engage actively + **Grow new/undersupplied capital markets +** Provide flexible capital |  |  |  |  |
|  |  |  |  |
| **4** | **Signal that impact matters +**  **Engage actively + Grow new/undersupplied capital markets +** Provide flexible capital |  |  |  |  |
|  |  |  |  |
| **5** | **Signal that impact matters +**  Engage actively + **Grow new/undersupplied capital markets + Provide flexible capital** |  |  |  |  |
|  |  |  |  |
| **6** | **Signal that impact matters +**  **Engage actively + Grow new/undersupplied capital markets + Provide flexible capital** |  |  |  |  |
|  |  |  |  |

* + 1. Due diligence processes deployed by the Fund prior to investment decisions

*>> Provide a description of:*

1. *Procedure/process[[1]](#footnote-2) to screen investments for their ability to comply with GS4GG requirements, including:*
2. [*Principles and Requirements*](https://globalgoals.goldstandard.org/100-principles-and-requirements/)
3. *Fund Requirements (including Exclusion Criteria)*
4. [*Safeguarding Requirements*](https://globalgoals.goldstandard.org/standards/103_V1.2_PAR_Safeguarding-Principles-Requirements.pdf)
5. [*Stakeholder Consultation Requirements*](https://globalgoals.goldstandard.org/standards/102G_V1.2_PAR_Stakeholder-Consultation-and-engagement-Guidelines.pdf)
6. *Activity Requirements (Renewable Energy, Community Services and Land Use and Forests, as applicable)*
7. [*Methodology Eligibility Requirements*](https://globalgoals.goldstandard.org/400-sdg-impact-quantification/)
8. *Procedure/process to screen investments to help achieve Impact Goals and identify baselines (including how ex-ante assessments of anticipated impacts will be conducted while discussing risk and mitigation strategies to avoid missing impact targets or overstating planned impacts)*
9. *Procedure/process for assessing potential investees for good governance processes that include transparency, inclusiveness, gender sensitivity, as well as those that are further outlined in the* [*GS4GG Safeguarding Requirements*](https://globalgoals.goldstandard.org/standards/103_V1.2_PAR_Safeguarding-Principles-Requirements.pdf)
10. *Procedure/process to identify any need for Technical Assistance, including (but not limited to):*
11. *carrying out stakeholder consultations as per GS4GG Requirements*
12. *complying with GS4GG Safeguarding Principles, including governance*
13. *supplying the necessary data to support impact assessment as per GS4GG Requirements (which may require a new methodology approval)*
14. *Procedure/process to address any initial non-compliance with GS4GG Safeguarding Principles, including a timebound plan for closing gaps, with milestones to be met as interim goals and the actions to be taken if the gaps are not closed within the timeframes developed* 
    * 1. Physical/ Geographical boundary of the Fund

*>> Provide details of the defined boundary of the Fund in terms of a geographical area e.g. municipality, region within a country, country or several countries within which all investments to be included in the fund will be implemented.*

* + 1. Exit Strategy

>> *Detail the exit strategies for investments, with particular attention to ongoing contribution to Sustainable Development post exit.  The exit plans shall include:*

1. *transition strategies (including time to exit)*
2. *details of how a “Do No Harm” approach will be applied and assessed across all impacts, not only those that are intended impacts of the Fund*
3. *for investments transferred to new/other Funds, a caveat that ongoing impact assessment must be carried out*

SECTION B. DESCRIPTION OF THE MONITORING, REPORTING AND VERIFICATION (MRV) PLAN AND DATA MANAGEMENT SYSTEM

*>> Provide a detailed description of the operational and Management system of the fund including*

1. *the impact assessment process that will occur throughout the life of the Fund*
2. *details of data aggregation and QA/QC processes (if any) for the monitored data from Investments.*
3. *Records and documentation control process for each investment under the Fund;*
4. *Frequency of reporting Fund level outcomes (note: beginning when more than 10% of planned assets for a tranche or full fund (lesser of the two) are invested).*
5. *Roles and responsibilities of personnel involved, noting Fund Manager (s) are responsible for ensuring that Investees comply with GS4GG rules*
6. *disclosure of any performance incentives offered that are linked to meeting the Impact Goals of the Fund*

Section C. GOVERNANCE

*>>*

1. *Describe how the Fund’s governing bodies (e.g. the board and/or the investment committee):*
2. *Have competence in sustainable development issues and impact management*
3. *Prioritise gender and other dimensions of diversity, as demonstrated by composition, culture and including different voices/perspectives in decision making*
4. *Provide active oversight*
5. *Hold the CEO/Managing Director accountable for Fund operations complying with the GS Fund Requirements, in particular policies, processes and disclosures in 2.1.2 and 2.1.4*
6. *Meet the national minimum corporate governance standards, as appropriate*
7. *Describe how the Enterprise and not just the Fund will follow* [*GS4GG Safeguarding Principles and Requirements*](https://globalgoals.goldstandard.org/standards/103_V1.2_PAR_Safeguarding-Principles-Requirements.pdf) *within 2 years of Design Certification, and*
8. *Provide evidence of a public statement (e.g. a webpage) about the Enterprise’s intent to establish the Fund and its SDG Impact Goals*

SECTION D. DURATION OF THE FUND

D.1. Date of first submission of Fund to Gold Standard

*>> State the date when document was first submitted to Gold Standard for Fund Design Certification*

D.2. Duration of the Fund

*>> State the total duration of the proposed Fund in years*

Appendix 1 - Contact information of Fund Manager (s)

|  |  |
| --- | --- |
| **Responsible person/ entity** |  |
| **Organisation** |  |
| **Street/P.O. Box** |  |
| **Building** |  |
| **City** |  |
| **State/Region** |  |
| **Postcode** |  |
| **Country** |  |
| **Telephone** |  |
| **E-mail** |  |
| **Website** |  |
| **Contact person** |  |
| **Title** |  |

Appendix 2 - Sample Table

|  |  |  |
| --- | --- | --- |
| **Sector:** | RE/EE/Waste: |  |
| **Technology:** | Hydro/Wind/ etc.: |  |
| **Eligibility Criteria** | **How projects can demonstrate compliance with the criteria** | **Evidence of compliance that can be provided** |
| 1. e.g. Projects from waste management sector do not divert resources from other uses | e.g. Explain how the waste type handled by project was disposed in pre-project scenario | e.g. Third party reports etc. |
| (add rows as necessary) |  |  |
| **Sector:** | RE/EE/Waste: |  |
| **Technology:** | Hydro/Wind/ etc.: |  |

Revision History

|  |  |  |
| --- | --- | --- |
| Version | Date | Remarks |
| 1.1 | 15 Jul 2022 | Version following first revision of Fund requirements: Editorials, including clarification of the ABC approach |
| 1.0 | 20 May 2022 | Initial adoption |

1. Please refer to Appendix 2 for a sample table that may be used to demonstrate compliance at investment level [↑](#footnote-ref-2)