

PRODUCT SPECIFICATION

IMPACT FUND REPORTING PATHWAYS

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SUMMARY

This document provides an overview of the technical requirements for Impact Funds that aim to get their design and outcomes certified under Gold Standard. The scope of certification however is limited to the Fund and does not include the underlying investments.

The Gold Standard Certified Product available through conformity to these requirements is a Certified Impact Statement, conveying an Impact claim per the Gold Standard Claims Guidance. It is not possible to issue Gold Standard Certified Impact Units or Credits through this pathway and no Compensatory claims can be made.

The term Project means any new or additional activity resulting from provision of funding to an investee. The terms 'project' and 'investment' are used interchangeably in the Fund requirements and are understood to refer to the GS4GG term Project.

This document is supplementary to the Gold Standard for the Global Goals [Principles & Requirements](#), Impact Fund Requirements and all associated documents. It is not a standalone standard but rather a synthesis of which requirements apply and where they can be found within the wider documentation. The document is structured so as to refer to the Principles of Gold Standard for the Global Goals as set against specific applicability requirements for this pathway. Detailed text of referred Principles is supplied for context, where published text is changed this is indicated in *italics* for transparency.

IMPACT FUND REPORTING PATHWAYS

PRINCIPLE	PRODUCT SPECIFICATION REQUIREMENTS FOR FUNDS
Scope and boundary	<p>1.2.1 <i>The scope and boundary of the Fund is defined by the positive and negative impacts caused by the investees as a result of the fund investment. It is also informed by the methodologies applied.</i></p> <p>Gold Standard certification is limited to the scope and boundary of the Fund and the associated outcomes of investments it makes. It does not include an assessment of how Investors who invest in the Fund contribute to SDG impacts caused by the fund's investment in investees.</p>
Rule Updates	<p>1.2.3 From time to time Gold Standard may issue updates, changes, clarifications or corrections to the Requirements. <i>These updates are published to the rule updates and clarifications section.</i></p> <p><i>Planned updates and new or updated methodologies are published to the standard website</i></p>
Applicable Requirements	<p>Gold Standard for the Global Goals Principles & Requirements apply, including all referenced documents (see Appendix)</p> <p>1.3.2 All Projects shall also apply the Activity Requirements related to the project type – unless stated otherwise</p> <p>1.3.3 Projects seeking Gold Standard Certified Impact Statements shall follow an applicable Gold Standard Approved Impact Quantification Methodology or SDG tool</p> <p>All investments under the Fund need to follow GS4GG Stakeholder Engagement and Consultation Requirements.</p> <p>All investments under the Fund need to follow Gold Standard for the Global Goals Principles & Requirements and GS4GG Safeguarding Principles & Requirements</p> <p>All investments under the Fund shall be gender sensitive, in conformity with the Gender Equality Requirements and Guidelines.</p>

Available products and claims	<p>2. Certified Impact Statements from which Impact Claims (per Gold Standard Claims Guidance) can be made.</p> <p><i>1.3.3. GS4GG Product Requirements apply if Carbon Credits and Renewable Energy Labels are sought via Project Certification.</i></p>
Ownership and contribution claim	<p><i>2.3.2 Fund is required to define in its strategy how it makes direct contributions to at least 3 sustainable development goals - one of which must be climate. Contributions to SDG impact achievement shall be measured. Therefore, the fund can claim to have "contributed to SDG" impact.</i></p> <p>The fund manager shall transparently declare the investment they make as a percentage of the total investment required by the Investee. This information may remain confidential (i.e. shall be submitted alongside other project documentation and not published), in recognition of the commercially sensitive nature of the information.</p>
Public Disclosure	<p>2.2.2 All projects from Listed status and beyond, including Gold Standard Certified Impact Statements or Products are captured on the Gold Standard Fund Impact Registry and are publicly and transparently available to all to review.</p>
Stacking	<p><i>2.3-2.3.2 Stacking of a combination of Certified Impact Statements or Products is allowed provided the applied Methodology and/or Product Requirements do not preclude it.</i></p>
Design Changes	<p>2.3.3 Changes to the approved <i>Fund design</i> after Design Certification are allowed – please contact Gold Standard for more details (P&R Annex A).</p>

General eligibility criteria All investments eligible under Gold Standard for the Global Goals

4.1.7 Gold Standard does not support Project types associated with geo-engineering or energy generated from fossil fuel or nuclear, fossil fuel switch, or any project that supports, enhances or prolongs such energy generation. In certain cases, concerning energy efficiency involving fossil fuels (*for example, LPG stoves*), an exception is made and captured in the relevant Activity Requirements, Approved Methodology and/or Product Requirements.

3.1.1:

(a) Types of Projects: Eligible projects shall include physical action/implementation on the ground.

(b) Project Area, Project Boundary and Scale: The Project Area and Project Boundary shall be defined. The Fund Boundary shall be defined.

(d) Host Country Requirements: Projects shall be in compliance with applicable Host Country's legal, environmental, ecological and social regulations.

(e) Contact Details: As part of the Project Documentation the *Fund* shall provide (i) name and (ii) contact details of the *Fund Manager*; AND in case of an organisation (iii) the legal registration details and (iv) documentation by the governing jurisdiction that proves that the entity is in good standing (defined as being a legal or other appropriate entity registered in or allowed to operate within the required jurisdiction and with no evidence of insolvency or legal/criminal notices placed against it or any of its Directors).

(g) Other Rights: Investees shall demonstrate where required, uncontested legal rights and/or permissions concerning changes in use of other resources required to service the Project (*for example, access rights, water rights etc.*). Any known disputes or contested rights must be declared immediately and resolved prior to further project implementation in affected areas.

Scale Investments of any scale may be submitted. Subject to Gold Standard prior approval, 'micro and small scale' methodologies may be used for 'large scale' activities (and 'micro' for 'small').

Contribution to the SDGs and monitoring and reporting of outcomes

As per Gold Standard for the Global Goals Principles & Requirements.

4.1.13 SDG Impacts shall be a primary effect – an intentional, direct effect of the project and shall not be 'one off' or an effect generated in design, construction, distribution, start-up or decommissioning of the Project.

Gold Standard SDG Impact Tool or impact methodology

SDG Tool – If a desired impact demonstration approach is not in the SDG tool, the Fund Manager shall submit an approach for Gold Standard approval. This must involve selecting the most relevant SDG targets and indicators to the chosen SDGs or propose indicators with justification and information that, when combined, demonstrate how the Project positively impacts the chosen SDGs and corresponding targets.

Impact Methodology - If a specific Certified Impact Statement is required (for example for health or water outcomes) and a Gold Standard Approved impact methodology exists, then the Gold Standard Approved SDG Impact Methodology shall be applied. SDG 13 always requires an application of a GS approved methodology, see below.

Eligible methodological approaches for SDG 13 – mitigation outcomes

Gold Standard Approved SDG13 Impact Methodology shall apply. Any adjustments for the purposes of aligning with other reporting norms shall be proposed as a deviation request. Over time such deviation requests, where accepted, will be captured within the methodologies by Gold Standard.

Eligible methodological approaches for SDG 13 – adaptation outcomes

Gold Standard Approved SDG13 Impact Methodology shall apply.

Baseline definition and assessment

As Gold per Standard for the Global Goals Principles & Requirements.

4.1.8 The Project shall define both the Baseline and Project Scenarios. These are defined as follows:

(a) Baseline Scenario: The Baseline Scenario is defined as the reasonable, conservative scenario that would exist in the absence of the project. While setting the Baseline Scenario, the Project Developer shall consider the relevant applicable legislation and how effectively these are enforced.

(b) Project Scenario: The Project Scenario is defined as the scenario that will exist once the Project is implemented and operational.

Additionality/Ongoing Financial Need

4.1.47 All Gold Standard *Funds* seeking the issuance of Gold Standard Certified Impact Statements or Products are demonstrated to be additional, meaning that their impact in terms of climate security (mitigation or adaptation) and sustainable development are beyond those that would have occurred in the absence of the certified Gold Standard project.

Funds cannot invest in existing operational projects unless they can demonstrate that their investment creates additional impacts that would not have been created without the investment. Evidence should clarify that investments lead to new positive SDG impacts that would not exist in the business as usual (BAU) or an improvement on SDG impacts that would not exist in the BAU.

4.1.52 Ongoing Financial Need is not relevant for this pathway.

Addressing double counting (including double claiming and double use)

The following forms of double counting are identified as risks to environmental integrity:

- Double counting between GHG impacts for Fund reporting and those issued as carbon credits - in this case the Fund shall transparently report this scenario
- Where GHG impacts of fund are used for formal accounting against international standards like SBTi then the sale of carbon credits should be discounted from the inventory. For example, it is not credible to account in inventory the GHG reductions/removals that are also used for offsetting claims.

Start date

Start date is defined as per Gold Standard for the Global Goals Principles & Criteria.

4.1.39 The Project start date is the earliest date on which the Project Developer has committed to expenditures related to the implementation of the Project. This does not include the purchase or option to purchase the land upon which a Project is intended to take place

4.1.41 Note that the Project start date definition and requirements may differ under certain Activity (*notably Land Use and Forests*) or Product Requirements.

Retroactive projects and retroactive reporting of outcomes

4.1.42 Retroactive projects are not distinguished from regular within this pathway.

5.1.37 Retroactive period for performance Certification of Certified Impact Statement and /or Products *is not relevant for this pathway*.

5.1.51 - *There is no deadline to submit for Preliminary Review within one year of the Project Start Date.*

Stakeholder Consultation Requirement 3.6.6-7 [For a retroactive project], *a physical meeting(s) must take place and any combined consultation shall ensure compliance with all Stakeholder Consultation requirements.*

Annual Reporting

5.1.39 Transparent, annual update reports for Projects that have achieved the Project Design Certification stage *is not relevant for this pathway*.

Certification Approach & Assurance Cycle	<p>As per the ToRs for piloting of Fund Certification Requirements.</p> <p><i>5.1.16 There is no deadline to complete Validation (defined as the date of submission of Validation Report by the VVB) within two years of successful listing of the Fund</i></p> <p><i>5.1.29 Verification must occur at least once during a five-year period</i></p>
Certification renewal	<p><i>5.1.45-50 The certification period is valid till the Fund exits the investment. Renewal of baseline is not required under this pathway.</i></p> <p>Post-exit, no claims regarding Gold Standard certification for period after the exit may be made.</p>
Assurance	<i>5.1.13-38 A list of qualified VVBs will be provided by Gold Standard for pilot phase, which are required to be used for validation and verification services. Design and performance certification is conducted at the fund level only and same VVB may be used for both design and performance certification.</i>
Activity specific adjustments:	(to be kept up to date as from time to time changes are agreed)
Community Services	None
Land-use & Forests	<p>Addressing impermanence - Temporary outcomes, such as temporary carbon storage in soil or woody biomass, shall be reported as temporary and the outcome period, for example duration of storage, shall be recorded on the Certified Impact Statement. Impermanent impacts should be reported in accordance with the Greenhouse Gas Protocol standards and requirements (i.e. ongoing storage monitoring and reversals accounting). Though this falls outside the scope of Gold Standard certification, misuse of reported impacts in this respect shall be considered a non-conformity with Gold Standard for the Global Goals.</p>
Infrastructure	None
Carbon Dioxide Removals	None

APPENDIX

List of typical (non-exhaustive) documents that are applicable for Fund Certification.

[Principles & Requirements](#)

[Safeguarding Principles & Requirements](#)

[Stakeholder Consultation and Engagement Requirements](#)

[Gender Equality Requirements & Guidelines](#)

[LUF Activity Requirements](#)

[Community Service Requirements](#)

[Renewable Energy Requirements](#)

[SDG Impact Quantification Methodologies](#)

[SDG Impact Tool](#)