



## Sustainable Development Verified Impact Standard

A flexible framework for assessing and reporting on the sustainable development benefits of project-based activities, helping unlock new sources of finance to support and scale up high-impact ventures

It can be challenging to consistently and transparently assess and communicate the economic, social and environmental impacts of projects supported by companies, NGOs, investors, development finance institutions (DFIs) and other stakeholders. To address this need, VCS is planning to develop the Sustainable Development Verified Impact Standard (SD VISta). SD VISta is an innovative and flexible new standards framework that would enable projects to robustly measure, report and verify (MRV) their sustainable development contributions. It would support credible claims and, where appropriate, the creation of new environmental and social assets that could be monetized or otherwise valued.

The standard would assess sustainable development impacts as measured across two primary dimensions: benefits flowing to poor, disadvantaged, marginalized or vulnerable people, and the maintenance of natural capital, including ecosystem services, for current and future generations. For each of these dimensions, project proponents would need to identify the without-project scenario, the project's envisioned or realized impacts, any off-site impacts and a plan for impact monitoring.

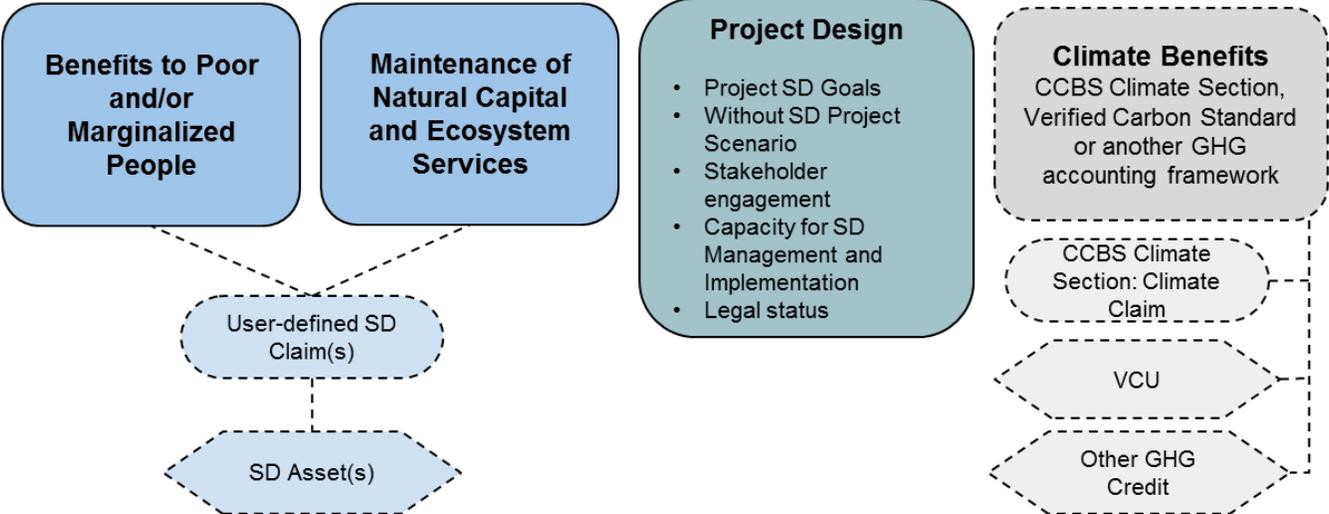
SD VISta would set out clear rules for establishing user-defined claims based on the credible assessment of the metrics most appropriate to individual projects. In addition, VCS' industry-leading registry platform would enable the generation and trading of associated environmental and social assets (e.g. water units, health benefits, adaptation credits and biodiversity/High Conservation Value offsets) for use in existing and emerging markets.

Three additional pathways would be available for projects also generating measurable climate benefits. To make a general claim about contributions to mitigating climate change, the project proponent would complete the Climate Section of the [Climate, Community & Biodiversity Standards](#) (CCBS). SD VISta projects interested in going further and generating a Verified Carbon Unit (VCU) that could be used as a carbon offset would be verified using the [Verified Carbon Standard](#) (VCS).<sup>1</sup> Alternatively, some projects may prefer to generate a carbon credit using another GHG accounting framework (e.g. Gold Standard or American Carbon Registry). The structure of SD VISta is illustrated in Figure 1.

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<sup>1</sup> VCUs could apply the SD VISta label to make it clear that the carbon asset came from a project that also generated measurable sustainable development benefits.

**Figure 1. Basic structure of SD VISTa.** Requirements are shown in rectangular boxes, claims in ovals and assets in hexagons. Optional pathways are indicated by dashed lines. To be certified to SD VISTa, projects would need to meet all the requirements covering benefits to poor and/or marginalized communities, maintenance of natural capital and ecosystem services and project design.



### The SD VISTa Value Proposition

Demand for applying the SD VISTa framework could come from companies, investors, DFIs, donors and other actors seeking to assess the social, environmental and economic impacts of projects they support. SD VISTa would:

- Provide a flexible framework for project developers and marketers to define, and consistently report on, the most relevant and valuable project outcomes, and link those to investors, buyers and other key stakeholders
- Facilitate private-sector engagement and alignment of project actions and reporting with the Sustainable Development Goals (SDGs) and targets at the national or global levels
- Provide an independent, credible, transparent means for companies to demonstrate achievement of their business and corporate social responsibility goals, such as meeting zero-net deforestation commitments, supporting women and children, and improving livelihoods, health and access to water
- Help DFIs and impact investors address potential environmental and social risks, and maximize target outcomes from their sustainable development project portfolios, and link those to national and regional sustainable development priorities
- Unlock new sources of finance and drive results-based payments to high-performing projects, supporting their proof of concept, scaling-up and replication

Development of SD VISTa would be advanced through a transparent and rigorous multi-stakeholder process involving strong representation from the Global South, and including project developers, corporates, investors, civil society and governments. VCS's intention is to develop an operational framework as quickly as possible (e.g. within the first year), and spend an additional one to two years piloting and further refining and proving the standard through extensive consultation and project application.

## Annex 1. Example Uses of SD VISta

Verification to SD VISta would enable projects to credibly demonstrate their contribution to sustainable development. In addition, and if desired, project proponents could make claims on individual elements of sustainable development and potentially generate, register and transact related social and environmental assets. Project proponents would also have the option to produce a climate claim or asset.

In each of the examples in the table below, projects have met all of the requirements of the basic components of SD VISta (benefits to poor and/or marginalized people *and* maintenance of natural capital and ecosystem services *and* project design). The projects in this table have also elected to define additional claims and/or assets.

Example Project Activity	User-defined SD Claim(s)	User-defined SD Asset(s)	Climate Benefits Claim or Asset
<b>Renewable energy in India</b>	<ul style="list-style-type: none"> <li>• Number of people with greater access to affordable, reliable and modern energy services (SDG 7.1)</li> <li>• Amount by which the share of renewable energy has increased in the energy mix (SDG 7.2)</li> </ul>	<ul style="list-style-type: none"> <li>• Renewable energy credit (REC)/instrument</li> </ul>	General climate benefits claim, or VCU (if not double counted as REC)
<b>VCS-verified cook stove project in Zambia</b>	<ul style="list-style-type: none"> <li>• Number of women's hours freed from gathering firewood over long distances at personal risk (SDG 5.4)</li> </ul>	<ul style="list-style-type: none"> <li>• Averted drudgery hours</li> </ul>	SD VISta-labeled VCU
<b>Ecosystem-based adaptation in Chile</b>	<ul style="list-style-type: none"> <li>• Quantified increase in community resilience to climate change (SDG 13.1)</li> </ul>	<ul style="list-style-type: none"> <li>• Adaptation Benefit Unit<sup>2</sup></li> </ul>	N/A
<b>VCS and CCB-verified afforestation in Kenya</b>	<ul style="list-style-type: none"> <li>• Alternative income generated for women as a result of agroforestry activities (SDG 5.5)</li> <li>• Area of water-related ecosystems protected and restored (SDG 6.6)</li> </ul>	<ul style="list-style-type: none"> <li>• W+ unit<sup>3</sup></li> <li>• Units of water provided to downstream users</li> </ul>	CCB- and SD VISta-labeled VCU
<b>Fuel switching in California</b>	<ul style="list-style-type: none"> <li>• Employment and health benefits for economically disadvantaged communities (SDGs 8.4, 3.9, 9.4)</li> </ul>	N/A	Climate Section of the CCBS, supporting general climate mitigation benefits claim

<sup>2</sup> Under development by the African Development Bank. See <https://www.afdb.org/en/topics-and-sectors/initiatives-partnerships/adaptation-benefit-mechanism-abm/>.

<sup>3</sup> As verified against the W+ Standard, which is managed by WOCAN. See [www.wplus.org](http://www.wplus.org).