

Tool for Monitoring, Reporting and Verification of Financial Payments to Primary Beneficiaries as a result of a Project or Program Level Intervention

Version 1

Name of the proponent:	South Pole Carbon Group (for W+)
Title of the tool:	Monitoring, Reporting and Verification of Financial Payments to Primary Beneficiaries as a result of a W+ Project or Program Level Intervention
Applicability condition, in relation to approved W+ methods:	all

Other comments (if any):

This tool is to be used in conjunction with every W+ method as the transfer of financial resources to primary beneficiaries is a mandatory design element of the W+ Standard (here also referred to as the "Direct Share"). The Direct Share is transferred via a central, project-level Direct Share Processing entity and Direct Share Processing Intermediaries.

Section A: Introduction

The W+ Standard requires that a defined minimum payment, corresponding to at least 20% of the primary market price¹ of all issued and transacted W+ units is to be made directly to primary women beneficiaries. This payment is called the “Direct Share”. Its purpose is to reward women for their contribution to the creation of W+ social asset units and to empower women by giving them control over the Direct Share.

This tool is to be applied to facilitate the verification of the delivery of the Direct Share payment to Primary Women Beneficiaries for the previous issuance period, which is a pre-condition to the issuance of W+ units for the current issuance period.

This implies that this tool does not need to be applied for the first issuance of W+ units from a project, but all subsequent periods.

Section B: Design of Payment System

Project participants are required to describe the system they are planning to put into place that is capable of transferring the Direct Share to all primary women beneficiaries within the program boundary as per W+ Standard requirements.

It is the responsibility of project participants to document these transfers. Project participants need to nominate and identify the Direct Share Processing Entity, which shall receive Direct Share payments from the primary sale of W+ units. It has the responsibility to distribute the Direct Share to Primary Women Beneficiaries or Direct Share Intermediaries, which then have the responsibility to distribute it to Primary Women Beneficiaries.

A description of the Direct Share distribution system needs to be provided in the context of W+ project registration, and must be included in the Project Design Document (PDD). The system needs to be in place prior to the first issuance of W+ units.

Project participants are required to document that the planned Direct Share distribution system has the capacity to manage payment processing to all Primary Women Beneficiaries and that it complies with standard financial accounting and auditing procedures, i.e. by means of submitting audited financial statements for the past three years.

The tool is part of the monitoring report of a W+ project.

¹ The primary market price is the price at which a W+ is sold from an originating W+ project developer to a buyer.

Section C: Payment Monitoring

At the time of the first issuance, user households should be registered and either assigned to a Direct Share Processing Intermediary or project-level Direct Share Processing Entity.

C.1 Data and Parameters available at validation and verification

Provide data/parameter which will be required for calculation during validation and verification.

SL no.	1
Monitoring parameter name	Registry of User Households, incl. number of women beneficiaries/users, separated by clusters of households serviced by one Direct Share Processing Intermediary
Value applied	
Determination method at the time of registration	Household Survey
Determination method at the time of verification	Sampling/survey
Monitoring requirements/frequency	At validation and updated at each verification
Justification of method	
QA/QC procedures	How is it ensured that the correct number of households is recorded
Any comment	

SL no.	2
Monitoring parameter name	Quantity and type of W+ unit generated Total in issuance period, per aggregating intermediary in issuance period, per registered household in issuance period
Value applied	
Determination method at the time of registration	Not applicable
Determination method at the time of verification	From monitoring report for issuance period
Monitoring requirements/frequency	At each verification
Justification of method	
QA/QC procedures	Describe how QA/QC will be done on this parameters
Any comment	

SL no.	3
Monitoring parameter name	Primary market price(s) for W+ units
Value applied	
Determination method at the time of registration	Not applicable
Determination method at the time of verification	Disclosure by buyer and W+ project developer
Monitoring requirements/frequency	For each sale of W+ units
Justification of method	Describe procedure

QA/QC procedures	Disclosure shall be based on W+ purchase documentation
Any comment	

SL no.	4
Monitoring parameter name	Total Direct Share payment to Program Direct Share Processing Entity
Value applied	
Determination method at the time of registration	Not applicable
Determination method at the time of verification	Disclosure of payment transfer and receipt
Monitoring requirements/frequency	For each payment made to Direct Share Processing Entity
Justification of method	Describe procedure
QA/QC procedures	Describe the QA/QC procedures for data collection
Any comment	

SL no.	5
Monitoring parameter name	Direct Share Payments made to all Direct Share Processing Intermediaries
Value applied	
Determination method at the time of registration	Not applicable
Determination method at the time of verification	Disclosure of payment transfer and receipt
Monitoring requirements/frequency	For each payment made to Direct Share Processing Intermediaries
Justification of method	Describe procedure
QA/QC procedures	Describe the QA/QC procedures for data collection
Any comment	

SL no.	6
Monitoring parameter name	Direct Share Payments made to Primary Beneficiaries
Value applied	
Determination method at the time of registration	Not applicable
Determination method at the time of verification	Disclosure of payment transfer and receipt
Monitoring requirements/frequency	Sampling
Justification of method	Describe procedure
QA/QC procedures	Describe the QA/QC procedures for data collection
Any comment	

C.2 Description of the Monitoring Plan

Describe the criteria and procedures for obtaining, recording, compiling and analyzing data and information important for reporting Direct Share payments. Describe the process by which internal auditing and transparency related to financial flows on the level of Direct Share Processing Intermediaries is conducted.

Explain the organization chart, person responsible for each task

Section D: Stakeholder process

Stakeholders shall be involved in the design of the Direct Share payment mechanism. This is to be done via the inclusion of this topic in the stakeholder consultation process. Project participants are requested to introduce their suggested Direct Share payment mechanism design which then is discussed among stakeholders. Comments and responses are to be processed in the same way as comments related to other project design elements.