



COMMON GOOD
MARKETPLACE

Impact Framework

September 2025





Acknowledgements



We want to thank all of the incredible experts and organizations who have laid the groundwork for CGM's Marketplace and Impact Framework.

As part of developing this public document, we consulted several key experts in the fields of impact measurement, social valuation and tradeable impact. We express our deep gratitude for their time and valuable comments that have helped shape and refine this document.

In addition to direct consultations, our Framework and technical work has been deeply influenced and informed by the pioneering work of many organizations, most notably the Impact Management Project, IFVI and the Capitals Coalition, Social Value International and J-PAL.



Case Studies

Throughout this document, we use fictionalized case studies based on real stakeholders in CGM's Marketplace. The examples have been adapted for clarity, focusing on roles rather than individual identities. The case studies follow two organizations seeking clearer alignment between their social performance and economic incentives. They turn to CGM to measure impact, quantify social value, secure external verification, and access a new funding model through CGM's Marketplace for tradeable impact.



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Executive Summary



Executive Summary

Global challenges are growing more complex, while traditional aid and CSR budgets are under pressure to deliver truly lasting change with less resources. Funders, governments, and organizations are also under growing pressure to demonstrate not just activity, but measurable change and lasting impact. The absence of clear incentives and minimum standards of valuation, however, prevents resources from flowing efficiently to where they are needed most.

This moment creates not only an opportunity, but calls for new tools that can unlock capital flows and reward organizations for verified results. Enter Tradeable Impact. By treating social outcomes as measurable and tradable, we can turn today's constraints into tomorrow's opportunities. With it, we can create a **market-based system to realign economic incentives with social progress.**

Tradeable impact can be understood as “a financial mechanism or market-based solution where specific social or environmental outcomes are quantified,

allowing them to be bought and sold”. Similar to carbon credits, which assign an economic value to reduced carbon emissions through systems that quantify and verify environmental impact, tradeable impact assigns value to positive social outcomes, such as improved health or education, that can then be verified, purchased and exchanged. The core promise lies in its potential to realign economic incentives with social progress; rather than funding organizations based on the cost of delivering services, CGM's approach to tradeable impact rewards them for the **value of the outcomes they achieve.** This enables investors, Buyers, and partners to direct resources toward the organizations delivering the greatest social good.

The promise of such a market-based system is profound. It can unlock meaningful capital flows and efficiently direct them to the highest quality organizations, transforming how we address social inequality and creating a true impact economy that not only minimizes harm, but incentivizes positive social change.

¹ World Economic Forum, *Redefining Value: From Outcome-based Finance to Tradeable Impact*



CGM's Framework draws on global expertise in impact measurement and social valuation. It integrates the shared objectives of the **Sustainable Development Goals (SDGs)**, the structure and clarity of the **Impact Management Project's Five Dimensions of Impact**, a **Human Capital** methodology to value verified impact, and rigorous economic research championed by institutions like the **World Bank**. Together, these inform our commitment to a market-based mechanism to address some of the world's greatest challenges, rooted in well-being and human potential.

This document offers a concise overview of CGM's Marketplace and its central innovation: the **Verified Impact Asset™ (VIA)**—a standardized, tradeable unit of well-being that quantifies and

monetizes social impact. It outlines how CGM measures, values and verifies outcomes to ensure trust, transparency, and accountability. Our goal is to contribute meaningfully to a system where **sustainable well-being** is recognized, measured, and rewarded at scale.

We cannot achieve this mission alone. We invite you—the world's leading changemakers, social innovators, evaluators and capital allocators—to join us in advancing the common good.

¹ World Economic Forum, Redefining Value: From Outcome-based Finance to Tradeable Impact



“Tradeable impact is not a silver bullet, but it could be a cornerstone – if wielded with care, conviction and collective responsibility.”

— WORLD ECONOMIC FORUM²

²World Economic Forum. *Redefining Value: From Outcome-Based Funding to Tradeable Impact*. June 2025.



Introduction

Introduction

The fields of impact measurement and outcome funding have evolved rapidly over the past two decades, shaped by a growing awareness that good intentions are not enough to reach our shared Sustainable Development Goals. Better tools to measure what changes, and stronger systems to allocate resources based on results, are necessary to close the gap. From early experiments with results-based financing to the emergence of outcome-based funding (OBF), and more recently, the model of making impact tradeable, the impact ecosystem is advancing toward a more effective, structured, outcome-driven model.

At the same time, major limitations persist. Traditional grantmaking models still dominate, driven by activity or input-based reporting, and are often fragmented across geographies and sectors. Even within the growing OBF ecosystem, impact is too often

treated as a one-off transaction: bespoke, hard to compare, and rarely portable or standard across contexts. The result is that most outcomes are still not valued, let alone transacted, in ways that allow scalable, repeatable, or performance-based funding.

[The World Economic Forum](#) and other global platforms (such as the [OECD](#) and [UNDP](#)) have called for a shift toward recognizing and rewarding verified social outcomes as credible units of value — both economic and societal. The idea that social outcomes can be translated into standardized, tradeable assets opens the door to new forms of accountability, new sources and allocation of capital, and stronger alignment between mission and incentives. This future vision requires an enabling environment with clear standards and financial mechanisms that ensure quality, comparability, and trust.



CGM was built to meet a systemic need: delivering assured, value-based, and scalable results in outcomes finance.

CGM’s core innovation, the [**Verified Impact Asset \(VIA\)**](#), is designed to function as a consistent unit of social value: creating the foundation for a new asset class where social outcomes can be financed, tracked, and transacted with the same clarity and confidence as other forms of capital, yet with an attributable impact claim attached.

We don’t believe any model or tool (including ours) can solve every single problem. The complexity of real-world challenges demands flexibility, systems-level change, and effective collaboration. But we do believe that with the right architecture, it is possible to shift the default: from reporting activities to evidencing outcomes; from fragmented reporting to standardized valuation; from impact-washing to traceable results.

³ “Credible units of value” refers to outcomes—like an additional year of education completed, a household lifted out of poverty, or an individual gaining stable employment—that are measured with reliable data and verified by independent standards. Framing outcomes this way allows them to function like tradeable assets, making it possible to reward organizations not just for activities, but for the real-world results they achieve.



Purpose of the document

This document lays out how CGM’s Impact Framework works — not just the mechanics, but the logic behind them. It explains what it takes to create a VIA, how outcomes are measured, how value is calculated, and how trust is upheld through data verification. Along the way, it addresses the key questions any credible outcomes marketplace must answer:

- ▶ How is impact defined and quantified in a way that holds up across diverse contexts?
- ▶ What mechanisms ensure consistency, quality, and comparability?
- ▶ Who is best suited to participate and what does it take to succeed?
- ▶ What are the real costs and benefits of working within this framework?



Who this document is for

Our Framework is designed to speak to a broad audience with varying levels of expertise and knowledge about tradeable impact. It is primarily targeted to potential stakeholders and partners in three key categories:

Buyers

Individuals or organizations that direct resources toward positive social change. They seek credible ways to allocate funding to effective organizations and strategic outcomes.

Examples include governments, development institutions, foundations, corporations, and impact investors.

Suppliers

Organizations that design and deliver programs that create measurable social outcomes. They provide the evidence and performance needed to enable outcome-based funding. Suppliers may be international or locally based non-profits or social enterprises.

Accelerators and Ecosystem Supporters

Actors that strengthen the infrastructure, demand, and capacity needed for tradeable impact. They offer technical support, market development, and partnerships that enable the impact ecosystem to grow.

Examples include intermediaries, supplier aggregators, technical assistance providers, and advisory groups.



Structure of the document

The framework document is divided into 4 parts:

1

CGM's Marketplace describes our platform for trading impact and introduces Verified Impact Assets (VIAs) as a fungible, comparable unit of value representing diverse outcomes.

2

CGM's Impact Framework sets out the practical and concrete approach we use to capture the 5 Dimensions of Impact, integrating local data with third-party research to create a holistic picture of outcomes.

3

Social Valuation and Verified Impact Assets explains the human capital methodology used to calculate the social value of outcomes and the process for converting them into VIA volume.

4

Verification Principles and Processes outlines the Verification activities and risk-management measures that build trust in tradeable impact.



1

CGM's Marketplace



CGM's Marketplace

Efforts to align capital with measurable outcomes⁴ have made real progress in recent years, particularly through outcome-based funding instruments. Yet many initiatives remain tailored to specific actors or contexts, making them harder to replicate or scale. These approaches have generated important learning — and remain essential to the ecosystem — but they often face common challenges: fragmented metrics and valuation make performance hard to assess, verification is costly and uneven in quality, portfolio risk is harder to manage when outcomes aren't comparable, and deals often stall without additional co-funders.

Rather than replace existing models, CGM's Marketplace provides a platform that facilitates an end-to-end process: Suppliers (i.e., organizations delivering verifiable social outcomes) receive technical assistance to identify key outcomes, build the supporting evidence base, and strengthen monitoring systems, ensuring they are set up for successful verification of results. Verified

outcomes are converted into VIAs and listed on CGM's Marketplace, where Buyers (such as, corporates, foundations, public agencies, and impact-aligned funds) can select outcomes and support Suppliers by purchasing their VIAs. Once VIAs are traded, Suppliers receive outcome-linked funding to support and scale their mission.

This creates a funding flywheel where impact performance is recognized, communicated, and rewarded through impact-driven capital. For many organizations, this funding is essential to continuing and improving their work, ensuring that they can make necessary investments and continue to generate these meaningful outcomes. For other financially sustainable organizations, outcome funding can transform their incentives and appropriately reward the additional burden of coupling social impact with financial performance.

VIAs function like other verified assets: they recognize results, create accountability, and channel capital to where it is most effective.

Purchasing VIAs strengthens organizations that have proven impact, sustains their ability to deliver at scale, and signals market demand for outcomes. Buyers can also commit funding forward — in both cases, VIA purchases align incentives by rewarding value created and tying resources directly to verified impact.

⁴ **Measurable outcomes** are SMART outcomes: specific, measurable, achievable, relevant and time-bound. They refer to specific, observable changes in social, environmental, or economic conditions that can be verified through reliable data collection and analysis. They go beyond outputs (the immediate activities or services delivered) to reflect the actual effects or results achieved, and they are assessed against predefined indicators or standards.



CASE STUDY

Mary leads the corporate social responsibility department of a multi-national corporation, focused on ensuring that their impact programs are both effective and efficient while minimizing the risks of overstated or false impact claims. Mary recently discovered CGM at a social innovation event where the topic was “innovative impact models for a new economy”.

Elimu Foundation, a non-profit organization, has been working in rural Tanzanian schools since 2010, helping children access higher-quality education and reducing dropout rates. They aim to prove the impact of their work and connect funding directly to the results of their education programs. Elimu began researching outcome-based funding and found CGM online and joined the Marketplace as a Supplier. During the onboarding process with CGM, Elimu identified their key outcomes — improving literacy and numeracy — aligned with Sustainable Development Goal Target 4.1: ensuring all children complete primary and secondary education and achieve meaningful learning outcomes.

Through CGM's Marketplace, Mary discovers Elimu Foundation's project among other verified education initiatives. She is drawn to Elimu's focus on rural girls and the integration of computer literacy and coding into their programs. By reviewing Elimu's validated project page in the Marketplace, Mary is able to conduct much of her due diligence and begins following the project closely.



What Are VIAs?

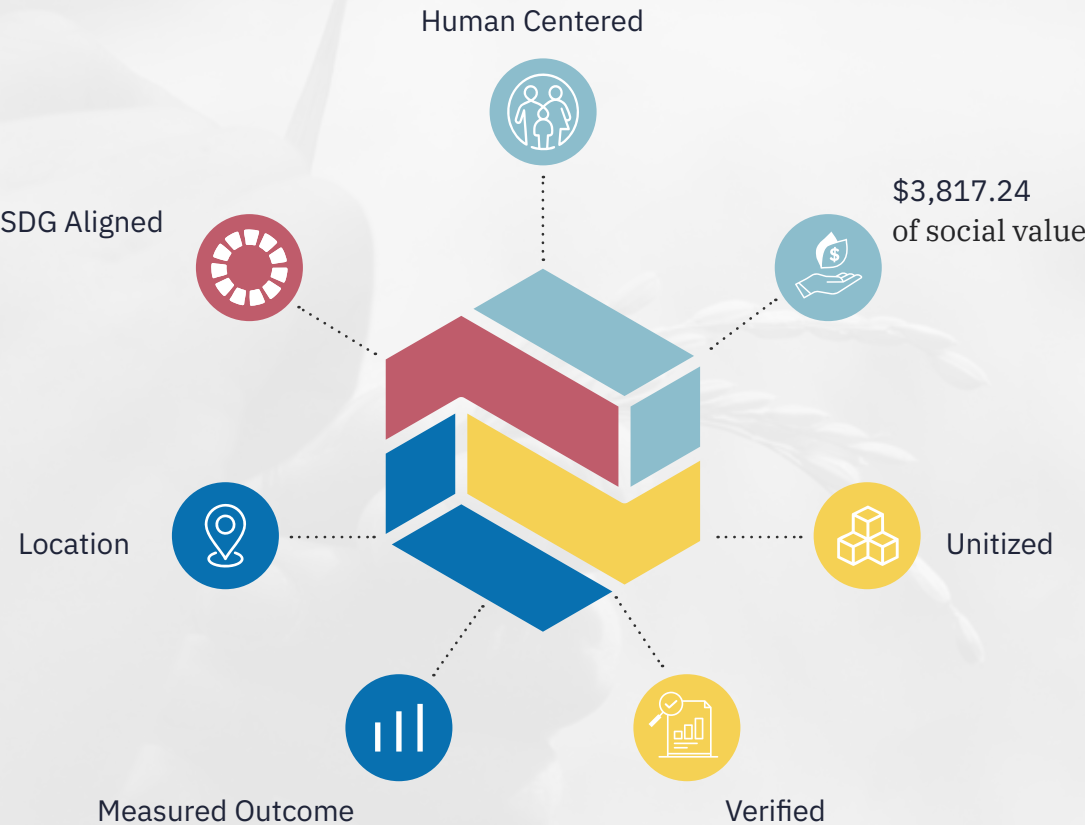
Verified Impact Assets (VIAs) are the core instrument of CGM’s Marketplace. One VIA is a standardized unit representing one additional year of well-being for a beneficiary, valued in monetary terms through CGM’s framework. VIAs capture improvements across domains such as health, education, poverty reduction, and climate resilience. Every VIA includes a transparent record of its underlying outcomes, how they were measured and valued, and a full audit trail to ensure traceability and credibility.

VIAs are:

- ▶ **Standardized and comparable:** Based on CGM’s valuation model and expressed in normalized terms to enable comparison across geographies and sectors.
- ▶ **Grounded in data:** Built on directly monitored data, contextualized with national indicators and peer-reviewed research.
- ▶ **Traceable:** Issued with a unique identifier, linked to documentation, and recorded in a public ledger.
- ▶ **Verified:** Implementation details and data are backchecked and verified to confirm data quality, outcome achievement, and valuation logic.

⁵ **SROI** is the Social Return on Investment. According to Social Value International, SROI is a framework for accounting for value relative to investment. CGM focuses its SROI ratio on the investment in VIAs relative to their calculated social value at the point of purchase in its Marketplace.

Verified Impact Assets™



VIA = One Additional Year of Well-Being

A new way to fund impact

Most traditional funding models focus on paying for activities or inputs, rather than for results. When funding is disconnected from outcomes, there is no direct accountability for performance and no mechanism to reward value created. Outcome-based approaches address this by aligning capital with verified results. Over the past couple of decades, the rise of results and outcome based funding through mechanisms like performance-linked loans and Development Impact Bonds has put this alignment into practice and paved the way for the scale and flexibility of CGM's outcomes Marketplace.

Building on that foundation, CGM goes further by linking resources to the value those results create for society and beneficiaries, enabling the shift toward funding based on verified impact. Unlike cost-based funding of activities, VIA pricing is driven by social value and market dynamics. Prices reflect

the impact achieved – not just the cost of delivering it – and may vary based on Buyer dynamics for the type of outcome, the volume of VIAs transacted, and the Social Return on Investment (SROI) ratio sought by the Buyer.⁶

In practice, rather than requiring complex contracts and large commitments, Suppliers can work through CGM's process to quantify and encapsulate their impact in VIAs, enabling multiple Buyers to support their work with minimal additional burden. This structure creates new opportunities for Buyers and Suppliers to align around the outcomes that matter, and to fund them in strategic, transparent, and performance-based ways.

⁶CGM provides SROI guidance ranges, but pricing is ultimately agreed between Suppliers and Buyers, creating flexibility based on priorities, budgets, and strategic goals.



CASE STUDY

After completing CGM's process, Elimu Foundation issued 2,400 Verified Impact Assets (VIAs), representing a social value of over \$7.2 million. Excited by this milestone, Mary uses her marketplace account to connect with Elimu and submits a three-year funding proposal. With an annual education budget of \$300,000 and a goal of achieving a strong social return on investment (SROI), she proposes purchasing 400 VIAs each year at a ratio of \$1 of funding for every \$4 of social value generated (\$750 per VIA).

Elimu Foundation considers a counteroffer but ultimately accepts Mary's proposal for the first 400 VIAs, as well as the future purchases for the following two years. This partnership allows Elimu to scale their programs in new ways while leaving 2,000 VIAs from their initial issuance available for sale to other Buyers, who can help co-fund their interventions.

Mary's finance team completes the first VIA purchase through Common Good Marketplace. After deducting a transaction fee, the proceeds are remitted to Elimu, while Mary's company receives the VIAs in their marketplace account. Through a customized dashboard, they can monitor and manage their VIA portfolio, track key outcomes such as literacy and numeracy gains, see which SDGs are advanced, and evaluate the social return on investment for their annual impact report.

Why Participate?

For impact-aligned Buyers, investors, and partners, Verified Impact Assets (VIAs) offer a credible, efficient and flexible way to finance, claim, and report on meaningful social outcomes. VIAs can be purchased retrospectively (after outcomes have been verified) or through forward commitments that align with strategic goals.



CASE STUDY

With the funding from VIAs, Elimu reinvests in scaling and improving program effectiveness, implementing a new tablet-based system for educational assessments. Their collaboration with CGM has strengthened monitoring systems and allowed them to demonstrate measurable impact to other potential Buyers. Beyond immediate funding acquired through the marketplace, Elimu is now better positioned to secure traditional grants and foundation support thanks to verified outcomes and transparent reporting.

Following this successful first VIA purchase, Mary and her team are exploring additional programs that can leverage CGM's framework, templates, and tools, amplifying the impact of their CSR initiatives and connecting funding directly to verifiable results.



Direct funding to verified outcomes

VIA help Buyers direct capital to interventions with demonstrated results, reducing due diligence and accelerating deployment.

Assurance and auditability

Each VIA is backed by verified outcomes, standardized processes and auditable evidence trail, reducing reputational and regulatory risks associated with impact-washing.

A funding flywheel

VIA purchases support a flourishing impact ecosystem by linking verified impact claims with capital, enabling impact performance management and more efficient allocation of capital.

Comparable, outcome-based metrics

VIA pricing encapsulates depth, breadth and social value of outcomes, enabling cost-effectiveness analysis and benchmarking across interventions and regions.

Key benefits of CGM's Marketplace

Report-ready impact claims

All VIAs are linked to specific SDG targets and can be integrated into sustainability, CSR, and ESG reporting frameworks.

Strategic alignment and portfolio flexibility

Buyers can filter VIAs by sector, geography, Supplier type, or SDG focus to match strategies, regulatory goals, or corporate commitments.



Marketplace Principles

CGM’s Marketplace⁷ is designed to ensure that every impact claim is credible, consistent, and verifiable.

Four core principles guide every project and transaction:

- 1 **Additionality** — Outcomes represent measurable change beyond what would have occurred without the project.
- 2 **Standardization** — Measurement, valuation, and issuance follow a common framework, enabling comparability across projects, sectors, and geographies.
- 3 **Transparency** — Every VIA is backed by clear documentation, pricing logic, and auditable evidence.
- 4 **Conservativeness** – When evidence is limited, conservative adjustments are applied to ensure credible impact reporting.
- 5 **Traceability** — A secure registry tracks each VIA from issuance to retirement, ensuring accountability and preventing double counting.

These principles are made possible by CGM’s standardized end-to-end process — from initial Screening through to Verification and Issuance — which sets up the methodology detailed in the next section.

⁷marketplace.commongoodmarketplace.com



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CGM's Impact Framework



CGM's Impact Framework

CGM's Impact Framework is built on our Marketplace principles of identifying and conservatively measuring outcomes that enhance stakeholders' well-being. It seeks to balance rigorous impact measurement with accessibility for a diverse range of partners by bringing together the targets of the Sustainable Development Goals with the best practices of impact evaluations.

While many of CGM's impact Suppliers have robust impact evaluations and monitoring systems in place, we also leverage third-party studies and national data sets to bridge data gaps and round out impact evaluations. This approach ensures that evaluations are holistic, comparable across projects, and aligned with Sustainable Development Goal Targets and sector-relevant outcomes.

We ground our evaluations in directly monitored data, using external sources to supplement and validate outcomes while minimizing monitoring burdens on our impact Suppliers.

CGM's Impact Framework provides a standardized process, templates, surveys, and data verification to strengthen the accuracy and reliability of reported outcomes. Although our process and templates provide a consistent structure and format, we work closely with impact Suppliers to minimize their reporting burdens while ensuring a minimum threshold of evidence for outcomes is met. By using consistent methods, organizations can clearly demonstrate the tangible benefits of their work, placing their impacts within a broader context of social value.

The CGM project cycle can be divided into two distinct phases: **Validation** and **Verification**. Each CGM project may issue Verified Impact Assets (VIAs) for up to 10 years after the initial Validation, with annual requirements for data Verification and oversight to ensure outcomes are accurately represented.



CGM's framework is designed to

- ▶ Standardize measurement of outcomes across diverse sectors and regions
- ▶ Support high-quality data collection and evidence-based reporting
- ▶ Align project outcomes with international goals, especially the Sustainable Development Goals, and with standardized social valuation.
- ▶ Mobilize and allocate capital to verified outcomes by aligning purchases with performance



CASE STUDY

Coming back to the story of Elimu Foundation, we will go deeper into the specifics of their project listed in the marketplace and how they completed CGM's Validation process, which led to the issuance of 2,400 VIAs and a successful partnership with with Mary's company.

Together with CGM, Elimu identified the key outcomes to prioritize for valuation. From there, a Social Value Theory of Change was developed to translate those outcomes into monetary terms. Building on their existing monitoring and evaluation tools, the impact was broken down into the 5 Dimensions of Impact — clarifying not only scale but also depth and duration of impact. Finally, the Monitoring Plan was developed and refined to specify the data needed to quantify and verify those outcomes.

This process was revelatory for Elimu as they had never evaluated the project based on the value of the impact they were creating – it was an entirely new way to present their organization and was one that drew Mary's attention as a funder in the first place.



Validation

Within Validation, projects first go through a **Design phase** (the stage where projects define the outcomes that will underpin VIA development). In this phase, impact Suppliers collaborate with CGM to complete CGM **Design Documents**. These are structured templates that guide Suppliers in providing standardized information about their project context, target population, intended outcomes, and methods of measurement.

The Validation process concludes with the development of a **Monitoring Plan**. This plan, built on a CGM template, summarizes the agreed outcomes' Social Value Theory of Change and details all data collection activities relevant to producing the selected VIAs. Together, the Design Documents and Monitoring Plan form the foundation for transparent validation and ongoing verification of impact performance.

Social Value and Theory of Change

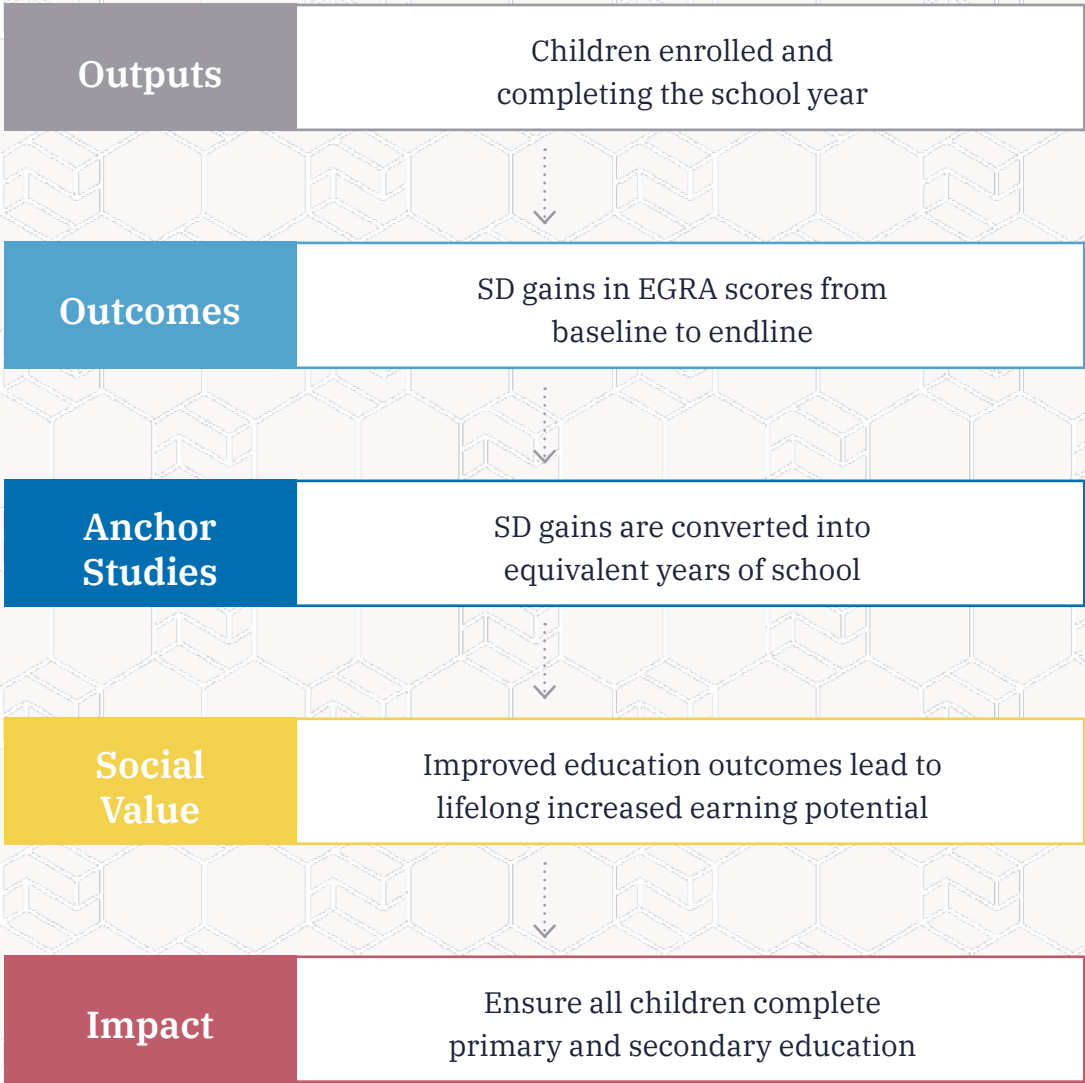
During the Design phase, CGM works with Suppliers to identify project outcomes that align with SDG targets. These outcomes are represented in a streamlined **Social Value Theory of Change** that establishes a clear causal chain between project activities and resulting impacts.

This approach focuses on high-value outcomes that are eligible for monetization through CGM’s methodologies. CGM’s Social Value Theory of Change enables an auditable evidence-based foundation for monitoring, evaluation and verification activities, as well as transparency in how outcomes are valued and VIAs are generated.



Elimu Outcomes

Social Value Theory of Change





5 Dimensions of Impact

Building on the Social Value Theory of Change, CGM applies the Impact Management Project’s **5 Dimensions of Impact**⁸ as the foundation for the project’s evidence base and Monitoring Plan. These dimensions provide a consistent structure for identifying, measuring, and valuing outcomes across projects.

⁸Read more about the [5 Dimensions of Impact](#).

Understanding CGM’s Impact Framework

	What: What outcome are you contributing to, is positive or negative, and how important is it to your stakeholders	►	Social Value outcomes that align with a CGM methodology
	Who: Which stakeholders experience the outcome and how undeserved they are relative to the outcome	►	Comprehensive beneficiary data, including demographics
	How Much: How many stakeholders experienced the outcome, what degree of change did they experience, and how long did the outcome last	►	Depth of change and how long these benefits will last
	Contribution: How much of the outcome can be directly attributed to the organization compared to what would have happened without the activities	►	Counterfactual or Deadweight (what would have happened without the project) and Attribution
	Risk: What is the likelihood that the impact might be different than expected	►	Potential differences between reported impacts and actual results



What

CGM projects select key outcomes that align with the SDGs. These outcomes are chosen based on their relevance for the beneficiaries and compatibility with measurement and valuation benchmarks. CGM’s current methodologies focus on outcomes in education or skills development, health, poverty reduction and climate resilience.⁹

⁹Depending on the intervention and available evidence, other outcomes might be incorporated to demonstrate additional social value, depth or duration of outcomes.



Who

Each CGM project is required to gather demographic data on all beneficiaries served. These beneficiaries and their demographics are compiled in a Beneficiary Database that tracks each beneficiary reached during the 12-month Monitoring Period and forms the basis of the social value calculations and VIAs issued for that period.



CASE STUDY

Elimu Foundation focused their outcome evaluation on improved literacy for primary and secondary age students.

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Elimu Foundation gathers beneficiary data on all enrolled students, capturing their age, gender and location, and whether they successfully completed the school year.

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How Much

CGM’s framework measures both the depth and duration of outcomes achieved in the 12-month Monitoring Period. Depending on the intervention and target outcome(s), beneficiaries are either (a) added to the Beneficiary Database after completing the intervention, or (b) tracked through intermediate indicators during the period, with long-term effects established through direct follow-up or third-party evidence

Depth of impact measures the degree of change experienced by beneficiaries. It is assessed through endline data and compared to the baseline situation. Many of CGM’s impact Suppliers conduct monitoring on baseline and endline conditions, or reconstruct a baseline as part of endline

monitoring. Others gather data on treatments or outcomes as part of their core delivery of services. Where sampling is used to determine project impacts, CGM requires a 95% confidence level with a margin of error no greater than 10%.

The **duration of impacts** is based on either directly monitored or third-party longitudinal research. While many outcomes (particularly in themes such as health and education) have external evidence of long-term impacts, other outcomes require direct project longitudinal monitoring to determine the duration of impacts. In the absence of evidence for the duration of impacts, CGM limits outcome duration to the 12 month Monitoring Period.



CASE STUDY

Elimu Foundation monitors a sample of students by collecting both baseline and endline assessments to measure learning gains over the school year. These observed improvements are applied to the full group of students served during the same period. Drawing on World Bank research showing that literacy outcomes yield lasting benefits that do not deteriorate over time, CGM extended the observed gains across the students’ lifetime. The long-term benefits were then converted into present value through CGM’s social value calculations and discounting methodology, ensuring a conservative and credible assessment.

All future impacts are subject to a **Dropoff**¹⁰ discount rate to account for any decline in benefits over time, as well as CGM’s **Social Discount rate**, which is an adjustment applied to convert future impacts into present value and is graduated based on the level of human development in the project country.¹¹

¹⁰ [Social Value International](#) defines Dropoff as the rate of decline in an outcome’s depth over time. It is expressed as a percentage in relation to the outcome duration.

¹¹ CGM uses a social discount rate of 5% for low development countries, increasing the discount rate to 11% for high development countries. It uses the ranking in the [Human Development Index](#) to determine the level of development in each country.

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Contribution

CGM’s framework separates **Contribution** into two key components: **Deadweight**, or what would have happened in the absence of the project (often referred to as the Counterfactual) and **Attribution**, or the portion of observed (or expected) change that can be causally linked to a specific intervention.¹²

The Deadweight can be established through several different options, such as:

- ▶ **Experimental:** Established through random assignment to treatment and control (i.e., randomized controlled trials).
- ▶ **Quasi-experimental:** Established using a non-random comparison group. Examples include difference-in-differences, matched comparisons/propensity scores, and regression discontinuity.
- ▶ **Non-experimental:** Logically reconstructed using nationally available data. National data is updated regularly and conservative adjustments are used to ensure credibility.

Attribution can also be measured through several inputs and parameters:

- ▶ **Partner Contributions** are assessed during Screening. Where partners or third-party technologies make significant contributions to project impacts, CGM requires co-application or signed agreements ensuring that partners do not claim these impacts. In such cases, CGM may apply an additional Attribution discount.
- ▶ A **counterfactual scenario** is used to isolate changes that are directly attributable to the project, creating a measure of net impacts in the period.
- ▶ All CGM projects are given a **default Attribution rate** in their first Monitoring Period, depending on their intervention and risk profile. In subsequent Monitoring Periods, Attribution will be refined based on CGM’s Beneficiary Validation Survey, which directly gathers feedback from beneficiaries on the project’s role in delivering outcomes.

¹² [OECD](#) also notes that “this definition n does not require that changes are produced solely by the intervention being evaluated”



CASE STUDY

To further understand and communicate the change contributed by the program, CGM compared Elimu’s results to what students would usually learn in a normal school year without the program. (i.e., the counterfactual or Deadweight). CGM credits and values the net learning outcomes above this typical baseline scenario.

For determining the level of impact directly attributable to Elimu, CGM evaluated whether or not Elimu Foundation was the primary implementer and manager of the project. After its diligence, CGM found that Elimu was directly responsible for implementation and management and therefore did not apply a discount to the learning outcomes of the project.



CASE STUDY

Elimu Foundation had already been identified as a low risk project during CGM’s initial screening process, since they were a well-established nonprofit organization with multiple large donors, third party certifications, awards and strong internal governance.



Risk

Risk is integrated into every stage of CGM’s framework — from project design to Verification.

During Screening, we identify potential risks related to organizational capacity,

project complexity, and operating context. We also conduct an assessment based on the UNDP’s Social and Environmental Standards, designed to flag environmental and social risks and ensure appropriate safeguards. CGM’s Social Valuation Methodology applies

a standard Displacement discount for all projects to account for minor unintended externalities arising from the project.

Risk ratings determine the frequency and intensity of monitoring and verification

activities (e.g., site visits, data assurance reviews). Projects must resolve any material risks before VIAs can be issued for the Monitoring Period.



Monitoring and Verification

After Validation, each project enters an ongoing cycle of **Implementation and Monitoring**, grouped into 12-month **Monitoring Periods**. This cycle culminates in an annual Verification, where the results from the Monitoring Period are consolidated and reviewed against the agreed standards.

Verification involves assessing whether the reported outcomes are supported by the evidence collected, confirming alignment with the Monitoring Plan, and evaluating the overall credibility of the impact claims. This process is designed to maintain transparency and rigor, ensuring that the results are suitable for issuance as Verified Impact Assets (VIAs) in CGM's Marketplace.

This annual issuance cycle may be repeated for up to 10 years based on the initial Validation. At the end of the 10-year project lifecycle, a project may apply for renewal for another 10-year period, completing a streamlined Validation process to ensure that key elements of the project scenario are still relevant to the project scope and impacts.

A CGM project has:

- ▶ **Local registration and implementation** within national boundaries
- ▶ Comprehensive **beneficiary data collection** and **annual impact assessments**
- ▶ **Key outcomes** aligned with CGM methodologies
- ▶ Calculation of net impacts against a **counterfactual scenario**
- ▶ 10-year **renewable lifecycle**, with up to 1 year of historical impact



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Social Valuation and Verified Impact Assets





Social Valuation and Verified Impact Assets

CGM's Validation process culminates in the development of the Monitoring Plan and an Impact Model. This model incorporates the socio-economic conditions of the project population, parameters identified in the Monitoring Plan from directly monitored and third party sources, and projections of impact over time. These future impacts are converted into present value using a graduated discount rate.

CGM's process and model for estimating the social value of outcomes is grounded in the pioneering work of Social Value International, Impact-Weighted Accounts and the World Bank's Human Capital Project.

Social value refers to improvements in well-being, expressed as either economic gain or avoided loss. It provides a standardized way to represent how a project contributes to the quality of life of its beneficiaries.





“Social value is about understanding the relative importance that people place on changes to their wellbeing and using the insights we gain from this understanding to make better decisions.”

— SOCIAL VALUE INTERNATIONAL

[“What is Social Value?”](#)

CGM’s Valuation Approach

CGM’s approach to social valuation converts the positive change experienced by beneficiaries into monetary terms and is expressed in international dollars (a standardized monetary value adjusted for purchasing parity across different countries). This allows all outcomes, regardless of type, to be translated into a single, comparable unit.

The aim of this approach is to:

- ▶ Simplify complex social impacts into a format that is easy to interpret;
- ▶ Enable comparability across diverse project types and geographies;
- ▶ Create a common language for funders, partners, and stakeholders.

It is important to note that CGM’s valuation methodology does not aim to fully capture the entire social value of an organization’s work. Instead, it offers a conservative and credible representation of impact, grounded in economic theory, reliable data sources, and transparent assumptions.

CGM applies a **human capital** lens to guide its social valuation. Human capital refers to the knowledge, skills, and health that individuals accumulate throughout their lives, enabling them to reach their potential and contribute to society¹³.

CGM’s valuation approach focuses on potential future economic outputs based on improvements to measurable skills and

elements of well-being, focusing on the foundational role these outcomes play in overall well-being for individuals and societies.

While this framework is rooted in human capital gains, and the monetization methodologies often refer to economic outcomes such as wages and employment, CGM views these calculations as a proxy for improved well-being and program success.

¹³ These estimates are for valuation purposes only and are not treated as realized income for beneficiaries; they inform comparative valuation and VIA pricing.



CASE STUDY

Building on the data and analysis developed through the Validation process, Elimu’s contextualized CGM Impact Model calculated the social value of their targeted outcomes. Seeing these key results synthesized into one economic figure – \$7.2m – was a completely new paradigm for the organization. It enabled them to communicate to their stakeholders, both locally and globally, how they were delivering social value through their unique education programming.

Moving forward, the Elimu Foundation team felt that they had clearer impact targets that could quickly be communicated within their team and to their funders. It also inspired them to develop new methods of improving learning outcomes that would increase both the depth and scale of their social value for future issuances of VIAs.



“There is mounting evidence that unless they strengthen their human capital, countries cannot achieve sustained, inclusive economic growth, will not have a workforce prepared for the more highly skilled jobs of the future, and will not compete effectively in the global economy. The cost of inaction on human capital development is going up.”

— THE WORLD BANK

The Human Capital Project



Anchor Studies

Anchor studies are third-party research sources that fill data gaps and support valuation assumptions.

These studies help establish the link between project outcomes and their economic value by defining:

- ▶ **Value factors** (e.g., % wage increase per additional year of schooling);
- ▶ **Financial proxies** (e.g., estimated monetary value of a year of healthy life);
- ▶ **Outcome duration** (how long the benefit is expected to last).

Anchor studies are selected based on an extensive review of research databases and in consultation with sector experts.

CGM prioritizes studies that are:

- ▶ **Rigorous:** Systematic reviews or randomized controlled trials are preferred;
- ▶ **Relevant:** The study population should closely match the project's context, income level, and demographics;
- ▶ **Recent and reputable:** Studies from recognized institutions like the World Bank or that are widely cited in the field.

CGM uses the Social Value Theory of Change to document the reasoning behind each monetization approach.

Generating Verified Impact Assets

Once the total social value of the project’s net impacts has been calculated – including their breadth, depth, and duration – CGM converts this into a standardized unit called a Verified Impact Asset .

Verified Impact Assets (VIAs) = Total Social Value / Average annual economic output

Each VIA represents a net increase in social value equivalent to one year of additional economic output for a project beneficiary¹⁴. It serves as a proxy for one additional year of well-being.

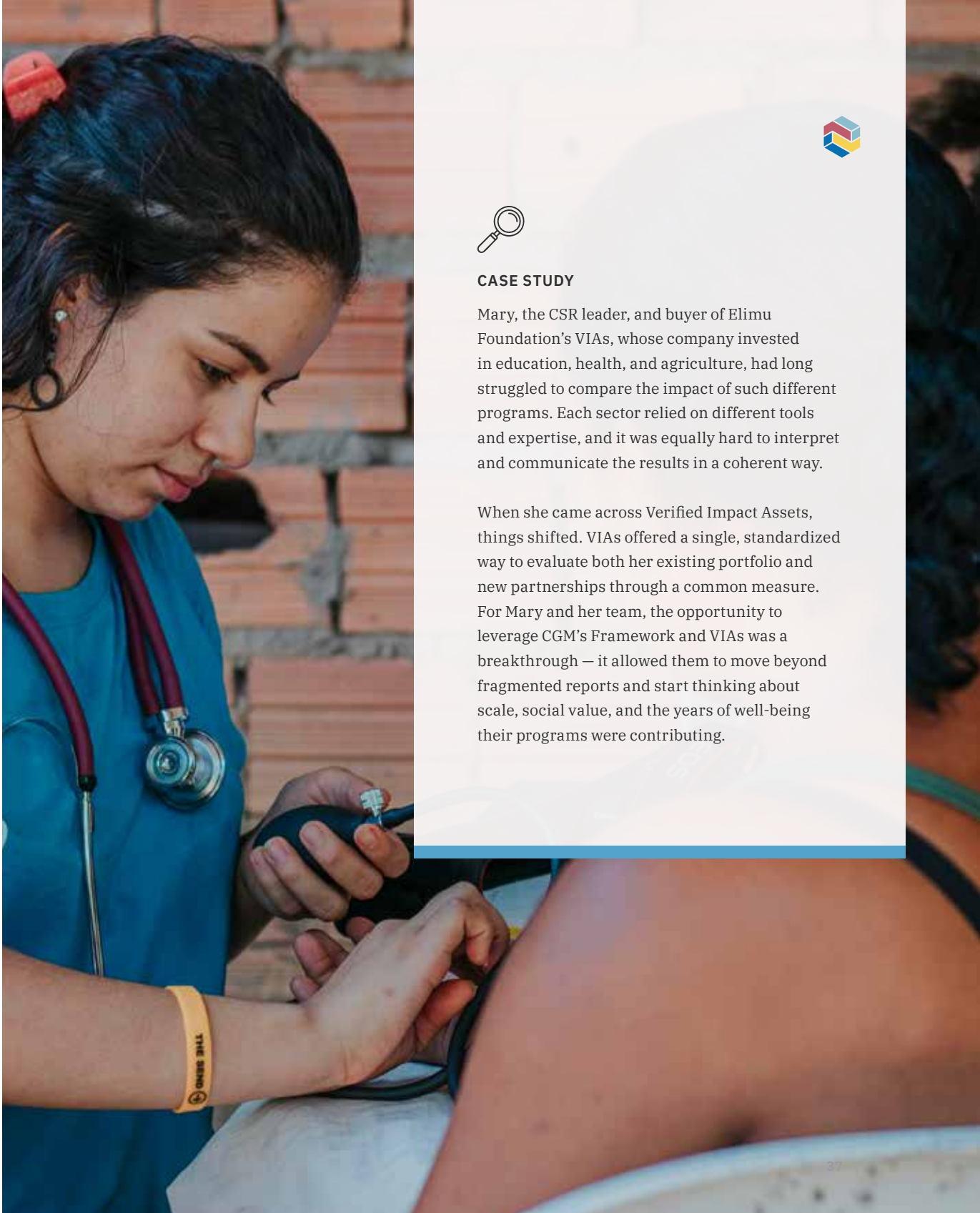
Like the concept of a Disability-Adjusted Life Year (DALY) in public health, tonnes of carbon dioxide equivalent (tCO2e) in carbon accounting, or PYI (person-year of income equivalent) from the Global Innovation Fund’s impact reporting methodology¹⁵, VIAs enables CGM to summarize diverse and complex

outcomes into a single, comparable unit. This standardization allows impact to be assessed across different project types, sectors, and countries.

VIAs serve as a practical tool for impact reporting, enabling Buyers and other stakeholders to assess, compare, and support high-impact outcomes based on verified results.

¹⁴ CGM currently uses the GDP per capita in Purchasing Power Parity (sourced directly from the [World Bank Open Data](#)) as this proxy to ensure comparability and contextuality.

¹⁵ See [WHO](#), [US Environmental Protection Agency](#) and [Global Innovation Fund](#) for more information



CASE STUDY

Mary, the CSR leader, and buyer of Elimu Foundation’s VIAs, whose company invested in education, health, and agriculture, had long struggled to compare the impact of such different programs. Each sector relied on different tools and expertise, and it was equally hard to interpret and communicate the results in a coherent way.

When she came across Verified Impact Assets, things shifted. VIAs offered a single, standardized way to evaluate both her existing portfolio and new partnerships through a common measure. For Mary and her team, the opportunity to leverage CGM’s Framework and VIAs was a breakthrough — it allowed them to move beyond fragmented reports and start thinking about scale, social value, and the years of well-being their programs were contributing.



4

Verification Principles and Processes



Verification Principles and Processes

Each Verified Impact Asset listed for sale in the Marketplace has undergone **CGM's Verification**¹⁶ to ensure data integrity, methodological soundness, and credibility; only rigorously reviewed and substantiated impact claims are presented to Buyers.

As in established markets, verification provides reasonable assurance — not certainty.

CGM is building a scalable, cost-efficient Verification process that can deepen over time to strengthen integrity, credibility, and adoption.

Consistent with more established markets, CGM Verification provides reasonable assurance, not certainty. We apply a **risk-based approach** to set the frequency and depth of required monitoring and verification activities. Risk is based on a holistic screening and assessment process that includes the scale and capacity of the organization, local conditions such as the strength of regulation and oversight, and the complexity and quality of data for the identified outcome.

CGM's Verification process is designed to:

- ▶ Provide reasonable assurance for impact claims;
- ▶ Support credible, achievable systems for impact monitoring and reporting;
- ▶ Apply conservative adjustments and support continuous improvements to balance reliability, cost, and scale;
- ▶ Maintain a transparent, auditable evidence trail for each VIA, from Screening through annual review and issuance.



CASE STUDY

After completing the monitoring period — in this case, the school year — and collecting the information outlined in the agreed Monitoring Plan, Elimu Foundation shared the results with CGM. CGM reviewed the submissions, cross-checked the beneficiary data against Elimu's digital systems, and verified the organization's legal registration and baseline scenario using available government data.

While CGM identified errors that were corrected through the process, overall the systems were robust and data was accurate. As a low-risk project, Elimu conducted a virtual site visit with CGM to interview key staff and review data systems before CGM certified their outcomes and issued their first 2,400 VIAs onto its Marketplace.

¹⁶ The Impact Management Project defines [Verification](#) as “the act of showing or checking that something is true or accurate.” and Assurance as “the methods and processes employed to evaluate an organisation's disclosures about its performance, as well as its underlying systems, data and processes, against suitable criteria and standards in order to increase confidence in the information for use in decision-making. The results are shared in a written conclusion called an assurance statement”. See also their article on [Verification, assurance and certification](#).

Activities and Responsibilities

CGM conducts an annual Verification for each active project in its Marketplace to assess implementation against the approved Monitoring Plan.

This process includes:

- ▶ **Data review** — assesses data reliability and project details; includes sampling, backchecks, recalculations, and remote checks.
- ▶ **Governance review** — assesses methodological integrity and sector relevance; reviews data-collection tools and processes and conducts beneficiary interviews; where warranted, adds risk-based measures such as expanded sampling or a pre-issuance site review for higher-risk projects.
- ▶ **Third-party Assurance (optional)** — evaluates disclosures and underlying systems against suitable criteria and issues an independent assurance statement; used when requested by stakeholders or for higher-risk projects.

The **first Verification** of any project includes an extensive review of the project Design and data practices. Verification activities cover data used to calculate the baseline and counterfactual scenarios, as well as the suitability and integrity of all monitoring tools and parameters. This initial review establishes the foundation for streamlined Verifications in future periods.

In each subsequent Verification, Suppliers submit the Beneficiary Database and any other required datasets for the relevant Monitoring Period. CGM uses these data to estimate the impacts and social value for the period. The results are compiled in a Monitoring Report, which supports VIA sales and stakeholder engagement, and provides an auditable evidence trail for future Verifications or third-party Assurance.

At every Verification, CGM reviews outcome data, performs backchecks, reassesses the continued applicability of baseline and other parameters, and cross-checks calculations to ensure results are represented accurately.

In addition to internal Verification activities, CGM offers **third-party accredited Assurance** when requested by Buyers, Suppliers, or other stakeholders. Accredited auditors may be selected by CGM or Buyers and are oriented to CGM’s valuation and monitoring methodologies to ensure consistency of scope, while maintaining independence in their review.

The key responsibilities of Verification are to:

- ▶ Establish that the reported beneficiaries are real, served during the designated Monitoring Period, and are located in the project country;
- ▶ Validate the completeness and accuracy of the datasets used in social value calculations;
- ▶ Verify alignment between reported outcomes and baseline or counterfactual scenarios established during the Validation.



CASE STUDY

Mary received a package of supporting documents for her purchase of VIAs from Elimu Foundation, including an SDG-aligned impact claim (SDG 4: Quality Education) and social valuation based on her purchase (with a 4:1 SROI, Mary’s company could report a \$1.2m of social value from their \$300,000 purchase).

She was able to include their partnership with Elimu Foundation and the resulting impact in their annual report with confidence because of the reasonable assurance provided through CGM’s Verification. This robust impact claim, both unique and transferable, alongside the powerful stories from Elimu Foundation students who had completed the program, demonstrated to the company’s stakeholders that its CSR activities were far beyond a “check the box” exercise.



Certification and Issuance

Once Verification is complete and all issues have been resolved, CGM will confirm all processes and documents are aligned with our requirements and principles and will certify¹⁷ the results, issuing VIAs into the Marketplace. This final step ensures full alignment with CGM’s principles of transparency, accountability, and credibility.

¹⁷ The Impact Management Project defines [certification](#) as “the action or process of providing someone or something with an official document attesting to a status or level of achievement.”



5

Conclusion



Conclusion

As results-based funding gains momentum across philanthropic, public, and corporate sectors, the need for robust, accessible infrastructure becomes increasingly urgent. CGM's Impact Framework is designed to make credible, verified, and comparable impact measurement both practical and scalable, not only for organizations with advanced evaluation systems, but for all actors committed to results-based approaches. It builds on global standards, including efforts championed by the World Economic Forum and the Impact Management Project, and addresses long-standing challenges in the field: fragmented data, limited comparability, and weak alignment between outcomes and funding.

By introducing tradeable units of verified impact (VIAs), CGM provides a structured process that embeds rigor, transparency, and consistency at every stage. This framework improves capital allocation and the efficiency of deployed resources, ensures outcomes are valued based on net impacts, and creates accountability for effectively scaling what works.

CGM's goal is clear: to scale what works, reinforce rigor and comparability, and direct more capital toward outcomes that advance human flourishing — for the common good.

This is not a perfect solution, nor a rigid one-size-fits-all model. Rather, it is a practical platform to harmonize diverse approaches, reduce the cost of outcome verification, and attract more outcome-aligned capital. It supports continuous improvement, both within individual projects and across the broader impact ecosystem, while maintaining a structured process that reinforces traceability, credibility, and trust.

In doing so, CGM establishes a new asset class: one defined by eligibility standards, transparent valuation, and verification-backed issuance; allowing social outcomes to be financed, traded, and reported alongside other forms of capital.



CASE STUDY

Through CGM's Marketplace, Elimu Foundation and Mary were able to connect and build a partnership that neither could have achieved on their own.

Elimu Foundation had a new partner committed to funding the value of their impacts, allowing them to innovate and scale in ways previously out of reach.

Mary was able to reduce her program costs, deliver measurable outcomes, and position her organization at the forefront of an innovative model for funding and achieving impact — one that leverages a new asset class to advance her company's mission: Tradeable Impact in the form of Verified Impact Assets.





Request for comments and feedback

CGM's Impact Framework document is designed to give an overview of our outcome-based valuation methodology and marketplace ecosystem. It covers the purpose and preconditions of tradeable impact, details of how CGM measures and values outcomes, and our process for converting impacts into Verified Impact Assets, a fungible and comparable unit of tradeable impact.

This document, and its underlying processes and tools, have been developed in collaboration with sector experts, key stakeholders and leverage the broader work in the impact measurement and valuation ecosystems. While we do not expect this document to be comprehensive or complete in its attribution or ideas, we welcome the opportunity for continuous improvement and stakeholder engagement.

To share your thoughts or comments, or to find out more about how CGM's Framework might apply to your work, please complete the [linked survey form](#), or contact us directly at info@commongoodmarketplace.com.



Annex



The calculation of social value per unit according to CGM's human capital-based approach to monetizing well-being. The financial proxy accounts for monetary value over the lifetime of benefits prior to CGM's discounts for Attribution, Displacement and Deadweight.



The knowledge, skills, and health people invest in and accumulate throughout their lives, enabling them to realize their full potential and positively contribute to their community.

The third step in CGM's 6-step process that encompasses a one-year Monitoring Period where data is collected according to CGM's requirements.

The approach, requirements and calculations used to gather and analyze data in order to demonstrate the social value for a particular outcome or group of outcomes.

The period of time, typically 12 months, during which a project collects and records data as outlined in the Monitoring Plan.

A national or multi-national organization that organizes and facilitates projects through Suppliers in CGM's Marketplace. An organization may be the same as the Supplier, may be a multi-national organization supporting several Suppliers that are subsidiaries of the organization, or may be a large coordinating entity that supports multiple Suppliers as franchisees or partners of the organization.

A specific, observable change in social, environmental, or economic conditions that can be verified through reliable data collection and analysis. All CGM outcomes are aligned with SDG Targets and are suitable for monetization based on their changes to observable economic or human capital conditions.

A funding approach that ties the disbursement of funds to the achievement of results. CGM's Outcome Based Funding model focuses on the value projects create by identifying key outcomes that drive social value and demonstrate real impact.

A distinct activity generating VIAs in CGM's Marketplace. A project is implemented by a Supplier and takes place within a single country. It typically involves a core group of activities that lead directly to 1 or more distinct VIAs. The Project Description and Monitoring Plan outline the specific scope of activities and VIAs for a Project.

A measure of economic value based on the relative cost of a standardized set of goods and services in different countries. An alternative to exchange rates, PPP is used to adjust currencies so that they are comparable in international dollars. CGM uses PPP adjustments to represent median or real income, enabling greater comparison across different currencies and contexts.

CGM's social value discount rate, used to convert future social benefits into current value.

A financial representation of the net positive changes an outcome has on people and society. CGM uses a Human Capital approach to estimate the social value of outcomes based on their contribution to an individual's well-being. While environmental benefits are a key element of a social value, CGM does not currently value environmental impacts in its framework.

A theory of change showing a direct relationship between CGM's social value calculation and the monitored project outcomes.

The organization directly implementing a project that generates VIAs in CGM's Marketplace. Each Supplier must be a nationally registered legal entity in the country where VIAs are being generated.

A specific, measurable objective within the UN Sustainable Development Goals framework. Each SDG target names specific outcomes, benchmarks and measurement tools to achieve one of the 17 SDG goals. CGM uses the SDG targets to identify and measure outcomes in its valuable framework. Not all SDG targets are applicable to CGM's framework.



Target Population

The specific group of people the project aims to benefit. Demographic information gathered in the Beneficiary Database will provide evidence of impact within the target population.

Threshold Value

A critical level of performance for an outcome, beyond which it is considered sustainable. Threshold values are context-dependent benchmarks based on research and international norms, such as living wage standards or health benchmarks. CGM does not require projects to meet threshold values provided that they are making material improvements in reducing the gap between the baseline scenario and threshold value.

Tradeable Impact

A verified and standardized unit of social or environmental outcome that has been quantified, documented, and made transferable within a marketplace. By making impacts tradeable, outcomes can be recognized as assets with economic and societal value, enabling them to be exchanged, aggregated, reported, or directed toward funders and investors.

Validation

The second step in CGM’s 6-step process where projects complete the Project Description and Monitoring Plan. During Validation, CGM will work with Suppliers to determine the requirements for their project and will generate a draft Impact Model estimating social value for the selected outcomes.

Value Factor

The conversion factor that transforms monitored outcomes into social value. Value factors are derived from credible data sources or third party research linking specific outcomes to their monetary worth in terms of social benefit.

Verification

The fourth step in CGM’s 6-step process where CGM or an independent CGM-accredited auditor reviews the project documents and data, confirming the outcomes and social value claimed during the Monitoring Period,

Verified Impact Asset

A standard unit of impact used by CGM to quantify and trade social value. Each VIA represents one year of positive impact, measured in terms of well-being, and is equivalent in monetary value to a full year of benefits for beneficiaries under typical socio-economic conditions in the country where the project took place.



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