



**INTERNATIONAL ELECTROTECHNICAL COMMISSION (IEC) SYSTEM  
FOR CERTIFICATION TO STANDARDS RELATING TO EQUIPMENT FOR  
USE IN EXPLOSIVE ATMOSPHERES (IECEx SYSTEM)**

**Subject:**

IEC Global Impact Fund

**Background:**

IEC is deeply intertwined with environmental, social, and corporate governance (ESG) matters as both our International Standards and our Conformity Assessment Systems provide the foundation that helps countries put in place sustainable and resilient infrastructure and apply global best-practice to manage quality and risk, which in turn stimulates economic development and innovation.

In view of the proposed IEC Strategic Plan strategic theme “Fostering a sustainable world”, at its meeting in February 2022, the IEC Board (IB) decided to launch the [IEC Global Impact Fund](#), as an ESG initiative that goes beyond current IEC activities by supporting the implementation of IEC work to address global challenges. In accordance with the approved [Operational Rules](#), this is to be achieved through the provision of grants to small and medium enterprise (SMEs) who will run projects in specific countries to address ESG challenges such as e-waste, energy access, energy efficiency or climate change by applying IEC International Standards and/or IEC Conformity Assessment Systems. As a reflection of this commitment, the IEC Board decided to launch the IEC Global Impact Fund through an annual donation of 1% of the IEC Capital & Reserves over the three-year pilot phase. The amount will be moved to a dedicated reserve and will be reflected in the 2022 accounts. In principle, a contribution of 1% will also be applied in 2023 and 2024. It should be noted that the IEC Board approved the allocation for the entire IEC, including the IEC CA Systems, subject to discussion within their respective Management Committees. The IEC Board’s decision to launch the GIF provides for a contribution from the IEC CA systems including IECEX of 1% of its Capital & Reserves per annum over three years (2022-2024), with the IECEX ExMC requested to support this.

This commitment of IEC funds will also support the required fundraising activities to leverage existing interest for global partnership and the opportunity for external donors to actively contribute to the IEC Global Impact Fund, which should be fully financed through donations following the three year pilot phase. The [Donation Policy](#) is already available to the public on the IEC website and has been developed by the Secretariat following the IB approval of the initiative. The Governance Review and Audit Committee (GRAC) has also reviewed the documentation and confirmed that the set up is appropriate and sufficiently ringfences any risk to IEC.

The IEC Global Impact Fund project areas are indicated in the [Strategic Business Plan](#). As a contributor to the funding, the IECEX logo will be included on IEC Global Impact Fund materials and volunteers from IECEE will be invited to participate in the project concept development process.

In terms of benefits to IECEX, the IEC Global Impact Fund is expected to:

- ✓ strengthen the visibility of the IECEX,
- ✓ help IECEX become known in new territories, and
- ✓ build new relationships and have the potential to establish new strategic partnerships.

Attached is additional information introducing the IEC GIF



**Action:**

IECEX ExMC are requested to

- 1) Support IEC Board decision 2022/09 for the launch of the IEC Global Impact Fund and payment of 1% of IECEX Capital & Reserves per annum in 2022, 2023 and 2024, to launch the GIF.
- 2) Put forward suggested projects or topics for consideration



## INTERNATIONAL ELECTROTECHNICAL COMMISSION

### INTERNATIONAL ELECTROTECHNICAL COMMISSION (IEC) SYSTEM FOR CERTIFICATION TO STANDARDS RELATING TO EQUIPMENT FOR USE IN EXPLOSIVE ATMOSPHERES (IECEX SYSTEM)

#### IECEX Management Committee (ExMC)

IEC Global Impact Fund

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#### 1. General

The IEC Global Impact Fund aims to help address global social and environmental challenges through the implementation of IEC standardization and conformity assessment solutions.

The application of IEC International Standards and the use of IEC Conformity Assessment Systems contributes to the increased safety of electronic, electrical, and information technologies, and having a harmonized approach around the world produces significant gains in efficiency. Through the IEC Global Impact Fund, IEC aims to advance its vision for **“a safer and more efficient world”** and to demonstrate the core contribution of IEC International Standards and IEC Conformity Assessment Systems in addressing social and environmental challenges.

With the IEC Board’s Approval, the IEC Global Impact Fund was launched as a pilot in 2022 in response to the growing concerns in society regarding issues such as climate change, environmental disasters, health pandemics, and beyond, to enhance the visibility of IEC and the IEC family of National Committees, Affiliates and Member Bodies. The goal is to directly boost the uptake and impact of IEC International Standards and Conformity Assessment Systems in these critical areas.

#### Proposed Funding from the IECEX and the Benefits

##### 1.1. Funding

IEC launched the Global Impact Fund through an annual donation of 1% of the IEC Capital & Reserves per annum over the three-year pilot phase. This commitment of IEC funds will also support the required fundraising activities in order to leverage existing interest for global partnership and the opportunity for external Donors to actively contribute to the IEC Global Impact Fund. According to the Operational Rules, the IEC Global Impact Fund shall be managed in a dedicated separate set of accounts. All financial activities, from donations to individual payments to grantees, will be robustly and transparently documented for review by the IEC auditors. The reporting on projects shall be overseen by the Governance Review and Audit Committee (GRAC).

The proposal is for IECEX to use 1% of its Capital and Reserves per annum over the period of three years. The estimated first-year funding with all IEC business accounts is presented below.



**IEC Foundation Project Initial Funding**

End-2021 Figures	Capital Fund	Designated Reserves	Capital & Reserves	%	Contribution	Adjusted * Contribution	% to GIF
IEC-St&S + GF	18'502'834	21'643'611	40'146'445	1%	401'464	CHF 400'194	81.30%
IECEE	4'138'312	2'000'000	6'138'312	1%	61'383	CHF 61'189	12.43%
IECEX	2'274'126	300'000	2'574'126	1%	25'741	CHF 25'660	5.21%
IECQ	524'699	-	524'699	1%	5'247	CHF 5'230	1.06%
IECRE **	(156'217)	-	(156'217)	1%	(1'562)	CHF 0	0.00%
<b>IEC total GIF</b>	<b>25'283'754</b>	<b>23'943'611</b>	<b>49'227'365</b>	<b>1%</b>	<b>492'274</b>	<b>CHF 492'273.65</b>	<b>100.00%</b>

**1.2. Benefits for IEC**

As the Strategic Business Plan 2022 for IEC Global Impact Fund indicated, the identification and selection of projects shall focus on areas where IEC can make a difference. The first project area will focus on turning e-waste into e-resources (reduction & recycling). The thematic area of the project falls within the product scope of the IECEE. It is envisioned that IECEE's participation in the initiative will help strengthen the visibility of IECEE on a global scale, enter new markets, and enlarge the footprint of the IECEE system. It is also anticipated to provide the potential for new strategic partnerships and may help foster new business activities and opportunities.

In general, IEC and its IEC Conformity Assessment Systems (IECEE, IECQ, IECEX, IECRE) have the opportunity to leverage the IEC Global Impact Fund to:

- ✓ Highlight the positive impact of IEC work on environmental and societal issues
- ✓ Build on the value IEC brings to society
- ✓ Increase access to potential future stakeholders
- ✓ Encourage SME participation, especially in areas of emerging technologies
- ✓ Establish new strategic partnerships
- ✓ Increase awareness in society at large about IEC
- ✓ Further build on the strong reputation, and
- ✓ Underline the role of IEC members in supporting their country's development

Furthermore, volunteers from IECEX would be invited to support future project concepts development and refinement.

**1.3 Opportunities for IECEX**

Members of the IECEX are welcomed to put forward suggested projects or topics for consideration.

**2. Recommendation**

ExMC to endorse the IEC Global Impact Fund.



Global  
Impact Fund

# Understanding the IEC Global Impact Fund



The IEC Global Impact Fund is aligned with the core principles of the IEC, including transparency, inclusivity, diversity and a consensus-based decision-making process. It offers a lean project management structure built upon solid and transparent procedures.



The IEC Global Impact Fund supports the IEC vision to create a safer and more efficient world. It is an initiative within the IEC that provides grants for the implementation of solutions that address specific global environmental, governance and societal challenges based upon IEC International Standards and Conformity Assessment Systems.

These solutions target specific countries where small and medium enterprises (SMEs) can work alongside the IEC to ensure a broad range of support among national stakeholders, including policy makers, local entrepreneurs, consumer groups and research institutions. While projects generally target one specific country, they are designed so that they can be replicated in other countries or scaled up for regional benefit to maximize impact.

Each year, through a formal call for proposals, projects are selected to receive financial support in accordance with clearly defined, objective and transparent rules. Once selected, key performance indicators (KPIs) and other metrics are employed to monitor and evaluate the project's finances, integrity and impact throughout the funding period. Achieving key milestones is a prerequisite for funding distribution.

SMEs that have obtained a grant from the IEC Global Impact Fund will undertake their specific project by applying IEC International Standards and/or IEC Conformity Assessment Systems to a defined environmental, governance or societal challenge. By the close of the grant phase, SMEs are expected to deliver a working prototype and a business plan for scaling up their solution across a specific country or region in the following three- to five-year period. The aim is to extend the impact of the work without a need for further grants.

The IEC Global Impact Fund focuses on SMEs because of their well-recognized role as innovators in technology. IEC Member Countries and Affiliates in the country where the project is implemented serve as focal points to help the SME further engage with national stakeholders and leverage their project. A firm commitment from IEC national representatives to collaborate with the SME is one of the key elements for the successful implementation of the project and an opportunity for the country to further strengthen its national standardization and conformity assessment infrastructure.

Initial funding for the IEC Global Impact Fund has been provided by a contribution from the IEC as part of a three-year pilot. Further contributions are provided from external donors from both the public and private sectors, as well as global funding agencies whose values and activities align with the core principles of the IEC. It is anticipated that at the end of the three-year pilot, the IEC Global Impact Fund will have sufficient funding to be self-sustaining.

Four project areas have been identified where IEC International Standards and Conformity Assessment Systems can have a significant environmental and societal impact. They are:



Turning e-waste into e-resources through reduction and recycling



Electrical energy access in rural areas to advance education, health and economic development



Promoting renewable energy, creating energy storage and innovative energy services to transition towards cleaner energy sources



Climate change, energy efficiency and net-zero emissions to foster greener manufacturing processes







## IEC Global Impact Fund

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