



Self-Assessment FAQs

What is a Santiago Principle Self-Assessment?

A Santiago Principle self-assessment is how IFSWF’s full members publicly demonstrate their implementation of the Principles. In these documents, each sovereign wealth fund describes how it implements each Principle in turn. These documents are the most comprehensive publicly available exposition of sovereign wealth funds’ legal frameworks, institutional frameworks, and investment and risk management practices.

Why Self-Assessment?

Sovereign wealth funds are a very diverse group of investors, each having its own relationship with government, governance structures and mandate. As a result, each fund will apply the Principles in a unique way appropriate to their context. Consequently, a qualitative, principle-based approach to demonstrating IFSWF members’ commitment to good governance is more relevant than a quantitative approach that scores the implementation of each Principle that makes a normative, and ultimately subjective, judgement on the quality of the implementation of the Principles.

What is best practice?

There is no “right” way to implement the Santiago Principles. We take a principles-based approach, not a rules-based approach to governance, to account for the diversity of legal and institutional bases of our members. As such, our focus is ensuring members complete their self-assessments comprehensively, improving their transparency and accountability to stakeholders and promoting a better understanding of their purpose and activities.

How often are they revised?

Under Principle 24, IFSWF members commit to undertake a “regular review” of the implementation of the Principles. The IFSWF Secretariat requests members to undertake a review every three years and to submit a new self-assessment for publication on our website. This process started in 2016. Some members will undertake this process on a more regular basis.

Who oversees the process?

The IFSWF Secretariat is responsible for ensuring that each full member of the IFSWF completes the self-assessment process and that the guidelines, compiled by the Fletcher School at Tufts University in 2017, are applied. As the Principles are a voluntary framework, there is no external oversight of the process, although some of our members have their self-assessments audited by a third party.