



Mid-term review of the 'Strengthening the Governance of Climate Change Finance to benefit the poor and vulnerable' programme' in the Asia Pacific Region

FINAL REPORT: Mid-Term Review

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Foreword

This mid-term review report has been prepared by the team which presents the mid-term review findings and recommendations for the programme known as *Strengthening the Governance of Climate Change Finance to Benefit the Poor and Vulnerable in Asia and the Pacific* (2012-2016), a regional programme implemented by UNDP and supported by Government of Sweden. It aims to strengthen fiscal policies and budgeting processes to ensure that responding to climate change is at the centre of public investment planning in countries of Asia and the Pacific. The Programme has a regional component and four country-level projects in Bangladesh, Cambodia, Indonesia and Thailand. This MTR is a UNDP scheduled review at mid-point of the Programme.

The findings are written for the Programme as a whole, drawing on examples and country details to support the findings. The findings are based on documentary evidence and analysis, stakeholder interviews, follow up emails as well as questionnaires sent to country stakeholders.

This mid-term report has been prepared by a two person review team including a Team Leader, Jessica Troni who is a specialist in climate change and Monitoring and Evaluation and Liv Bjornestad, a governance and public finance expert.

Acknowledgements

The MTR team would like to acknowledge the UNDP Climate Finance team for their patient cooperation and collaboration in the development of the MTR. We hope that the findings are useful in bringing this current programme to a successful close, as well as informing future programming.

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1.0 Abbreviations

APRC	UNDP Asia Pacific Regional Centre
ASEAN	Association of Southeast Asian Nations
BoB	Bureau of the Budget
CBA	Cost-benefit analysis
CCCA	Cambodia Climate Change Alliance
CCF	Climate Fiscal Framework
CPEIR	Climate Public Expenditure and Institutional Review
CSO	Civil Society Organisation
DFID	UK Department for International Development
DIM	UNDP Direct Implementation Modality
GEF	Global Environment Facility
GIZ	German International Cooperation
IBFCR	Bangladesh Inclusive Budgeting and Financing for Climate Resilience
IBP	International Budget Partnership
LESS	Indonesia Low Emission Budget Marking and Scoring System
MoAC	Ministry of Agriculture and Cooperatives
MoE	Ministry of Environment
MoF	Ministry of Finance
MoNRE	Ministry of Natural Resources and Environment
NGO	Non-Governmental Organisation
NESDB	Office of National Economics and Social Development Board
NTT	Indonesia Nusa Tenggara Timor province
OECD	Organisation for Economic Cooperation and Development
ONEP	Thailand Office of Natural Resources and Environmental Policy and Planning
PFM	Public Financial Management
SIDA	Swedish International Development Agency
SPARC	Strategic Planning and Action to Strengthen Climate Resilience in Rural Communities
SREX	IPCC Special Report on Managing the Risks of Extreme Events and Disasters to Advance Climate Change Adaptation
SSIP	Bangladesh Strengthening Sustainable and Inclusive Planning Programme
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNITAR	United Nations Institute for Training and Research
UNFCCC	United Nations Framework for Convention on Climate Change

2.0 Executive Summary

The Programme known as *Strengthening the Governance of Climate Change Finance to Benefit the Poor and Vulnerable in Asia and the Pacific* aims to improve the governance of climate change finance for the poor and vulnerable in Asia and the Pacific. This programme aims to deliver effective management of climate-relevant funds for poverty and gender-focused results. The Programme objectives are to: i) have strengthened other regional institutions at both the technical and policy levels to take forward delivery of services established by the UNDP Asia Pacific Regional Centre (APRC), ii) leverage further resources at country levels to take forward implementation, and iii) connect country level stakeholders with regional expertise enabling them to directly access services without further need for UNDP support.

Programme design and relevance

The Programme is based on the experience and recommendations which emerged from four country CPEIRs¹, prepared in 2011/12 which were a first attempt to quantify the size and significance of climate-relevant expenditures in the respective public sector systems as well as identifying the institutions responsible for executing these expenditures. Following this, climate fiscal frameworks (CFFs) in three of the four programme countries were developed, identifying the range of climate finance which is budgeted across government (by attaching 'relevance' weightings to government budgets), as well as identifying policy instruments that could be used to target climate change expenditures, projected needs for mitigation and adaptation, and governance and institutional arrangements for the management of climate change finance.

The Programme, which supports the implementation of CPEIR recommendations, is highly relevant to the global challenge in developing and emerging economies to create absorptive capacity for increased flows of climate change finance moving forward. With reference to in-country relevance, there have been mixed experiences in engaging Ministries of Finance, the intended main partners for the Programme. Notwithstanding, the Programme is generating useful experiences on how partnerships with Ministries of Finance may be developed from a baseline of, at times, low interest.

The programme document does not include an explicit theory of change for either the regional or the country-level components. The programme design was based around the CPEIR budget tool, offering a highly relevant entry point. But there was no road map provided at the country level to achieve the programme targets. Experience has shown that contextual realities and political economy issues have slowed down

¹ More specifically, three CPEIRs covering both mitigation and adaptation were conducted in Bangladesh, Cambodia and Nepal and one Mitigation Fiscal Framework was developed for Indonesia.

country implementation progress. The Programme's success is also contingent on commitments and capacity to deliver on a wider context of public financial management reform, ownership by the relevant ministries, as well as experience with evidence-based planning and programme budgeting. Where this is lacking, the mainstreaming trajectory has necessarily been slower.

The methodology for the poverty, gender and regional aspects of the programme are the least developed aspects of the Programme and, though there is work being carried out in all countries to develop methodologies for better targeting of climate finance. Overall, this target may be beyond reach within the agreed Programme timeframe. Notwithstanding, the team is confident that, if a targeted strategy to get on track is prioritized now, results could be reached in at least three countries by the end of the Programme.

Effectiveness

By the standard of implementation progress to date, the conclusion drawn at this point is that eight of the eleven Programme Output targets (Box 3) and one of the Objective targets will probably be achieved. The Programme has made the most progress on Output 3 where all four targets have been reached. The picture for Outputs 1 and 2 is as follows: the three targets for Output 1 are probably beyond reach without a re-definition of the targets. Two targets for Output 2 are on-track because of the recent adjustment in targets, one is probably on-track (but unclear as there is an ambiguity around the definition) and the other could be within reach with a targeted implementation strategy.

The Programme is making at least some progress towards all of its targets. Overall, the budget and expenditure analysis approach has enabled some level of engagement with central ministries of finance and planning where previously there was disinterest and scepticism. In Cambodia the Programme has supported the development of the CFF entailing a collaboration of nine ministries plus the national committee on disaster management and a methodological contribution to evidence-based weightings of climate-relevant investments. And in Thailand the adapted cost-benefit work to include climate change risks in project appraisal documents is paving the way for a broader stream of work to mainstream climate finance into budget guidelines. This is taking place through a project that is supporting five agricultural departments to introduce CBA into their project appraisal process. If successful the project should also be extended to the Ministry of Energy in a second phase.

The programme budget for country-level work is limited so the programme approach to coordinate closely with other programmes in this area is highly strategic and has led to a good leveraging ratio for the programme overall.

The Programme has been most successful in transferring the CPEIR concept to other countries across various regions. Stakeholders across the Programme countries also thought that the Programme had provided useful South-South learning opportunities on the post-CPEIR implementation process. The Programme was also reported to have provided value-added in creating dialogue processes which have been helpful to country mainstreaming efforts. The Programme has also brokered knowledge between countries, primarily through project staff, consultants and workshops. For example, innovations around budget scoring and marking are being shared between Cambodia, Indonesia and Thailand. Technical support has been well received as reported by country level informants. Key informants also noted the unique role played by UNDP in enabling this work in the way that a bilateral agency would have been less placed to do.

The main partnerships have been with governments in the four countries, donor partners, particularly German Technical Cooperation (GIZ) in Bangladesh and the Cambodia Climate Change Alliance (CCCA), and UNITAR for the regional training programme, which will engage two national institutions for training in Thailand and Cambodia. In Thailand, three country informants highlighted the range of experts invited to consultation events, such as government officials, academics, researchers, faculty members, private sector, non-government organizations and civil society sector, which helped to strengthen country networks. In Cambodia members of a national network of economists, the Cambodian Economics Association, were involved in the CCFF (as consultants). The leveraging ratio has been good at 1:4. In Indonesia UNEP has a joint project with UNDP in supporting budget tagging of carbon emissions, providing a good example of inter-agency UN collaboration.

The plan contained in the Programme was to work through Association of Southeast Asian Nations (ASEAN) to capacitate their advocacy function, which Thailand is due to chair in 2015 (postponed from 2014). Regarding technical assistance functions, there is agreement among informants that regional organisations do not currently have the right scope, mandate and capacity to provide support in this area of work, neither is there much appetite among national stakeholders to promote regionality on this issue. This component of the Programme will need to continue to be driven by external partners, at least in the short term.

Some capacity development has taken place through this Programme through the development of climate change fiscal frameworks, cost benefit analyses, budget tracking, strengthened cross-ministerial coordination mechanisms, and in the case of Indonesia, new legislation. Factors that are limiting the capacity development potential of this programme include a short timeframe for operation to date (the CFFs were only published this year for example); limited country level project budgets and staffing, and a lack of an effective capacity development strategy.

Efficiency

28% of total funds have been disbursed at mid-point of the Programme. The expenditure figures for output delivery are on the low side at mid-point of the Programme (22-31%), probably due to the time needed to position the Programme at the country level. The Programme has delivered tangible outputs in CPEIR implementation in two of the four countries (Cambodia and Thailand), and in the other two (Bangladesh and Indonesia) this sphere of work has been well positioned for future implementation progress. Feedback from country stakeholders supports the view that the regional support programme has been effective and valued. That said, for Programme Outputs 1-3 there is nearly \$2 million left to disburse. It would therefore make the most sense for funds to be directed towards implementation progress on Outputs 1 and 2 where some targets are off-track.

Progress reporting also could be clearer and this would help the strategic management of the programme. A simple table to track cumulative disbursements against the total grant allocation will help to identify the rate of implementation progress for each component, which could then be compared with progress towards targets. Presenting financial figures as annual amounts in line with annual progress reporting would also enable a clearer assessment of disbursements and implementation progress against the Programme workplan.

Sustainability

The main risks to sustainability pertain to country ownership of the process as well as the interest and capacity to continue the process after the Programme grant ends. The CPEIR concept is clearly relevant to the global climate change agenda and its potential benefits to the developing countries. The challenge will be to make the CPEIR and CFF process sustainable so that it can continue through repeated budget cycles and become embedded in national planning and budgetary processes. An effective capacity development strategy will be needed in every country. Ensuring sustainability will be a key consideration in the replicability of the approach.

To date there has been a large amount of work undertaken in creating knowledge documents and communication tools and materials. Stakeholders do acknowledge that knowledge products have been important, particularly for technical audiences (methodological note, lessons learnt paper are examples), though there was a feeling that there is scope to strategize the volume of knowledge products with a stronger focus on technical quality and to present the information to policy-makers in a more user friendly way.

Drawing on review findings, the report identifies a number of conclusions, which include:

- The Programme is highly relevant to the national challenge in developing countries of creating absorptive capacity for increasing flows of climate change finance. The programme design was based around the CPEIR budget tool, offering a highly relevant entry point.
- CPEIRs and the follow on CFFs are a good advocacy tool. Now there is a need to transition to meaningful capacity development programmes. This is a new area of work and the Programme has had to rely on national and international consultants to generate awareness and 'demand-pull' for this approach as well as progressing technical understanding in what is a new and relatively complex area. Nevertheless, reliance on consultants alone for policy transfer is likely to compromise ownership of the process, particularly given its complexity. National and regional-led models are likely to work best, including partnering with international experts, and recognizing that this is a long term venture requiring a patient investment process.
- Climate-finance flows, and in particular adaptation-related flows, in developing countries may inherently have a poverty and gender focus given the high correlation between women and poverty and poverty and vulnerability. The more meaningful work may be in determining how effectively policies could be designed to maximize the impact of these flows in both a measurable and monitorable fashion.

The MTR proposes six recommendations to help put the targets back on track and improve the sustainability/exit plan for the Programme. These recommendations are as follows:

1. **Recommendation 1: Amend Output 1 - targets 1 and 2** (the 'mainstreaming targets') to interim process targets for each of the four programme countries
2. **Recommendation 2: Reduce duplication in the Results Framework** in order to eliminate duplicated information in the progress reports and help strategic management.
3. **Recommendation 3: Develop a strategy to reach poverty and gender targeting.** The reviewers suggest two approaches. The first looks at distributional flows, the second looks at impact.
4. **Recommendation 4: Engage in more effective in-country advocacy** building on the Programme core knowledge products.
5. **Recommendation 5: Establish a system of peer review for knowledge products** in order to standardize the quality of the knowledge products.
6. **Recommendation 6: Clearer progress reporting** will help to track progress and help improve management efficiency as well as better efficiency of spending of the programme grant

Six further recommendations are provided for future programming efforts:

1. **Strengthen capacity development** working through national institutions. Develop a methodology to measure the effectiveness of capacity development.
2. Develop a meaningful strategy to **build capacities within a regional institution**.
3. Generate **adaptation action plans and cost projections** based on medium to longer climate change projections in future iterations of the CFFs.
4. Develop a **Theory of Change** with country stakeholders.
5. Support the development of a **gender and poverty expenditure tracking tool** which could be piloted in upcoming Indonesian and or Bangladeshi subnational CPEIRs. Building on this work stream would then include the development of capacity to undertake performance assessments of climate change expenditures on gender and poverty dimensions, finding ways to develop this through a model of national leadership, for example through NGOs working in the social auditing space.

3.0 Background and Introduction

3.1 Introduction to the Programme

1. The programme known as *Strengthening the Governance of Climate Change Finance to Benefit the Poor and Vulnerable in Asia and the Pacific* (2012-2016) is a regional project implemented by UNDP and supported by Government of Sweden. It aims to strengthen fiscal policies and budgeting processes to ensure that responding to climate change is at the centre of public investment planning in countries of Asia and the Pacific. It aims, over the course of its three year timeframe, to increase the quantity and quality of climate related expenditures managed at the country level, and improve the delivery of climate change finance to reach the poor and vulnerable. There are four programme countries: Bangladesh, Cambodia, Indonesia and Thailand.

3.2 Key issues addressed by the MTR

2. The Mid-Term Review (MTR) offers the opportunity to identify potential project design problems, assess progress towards the achievement of objectives, identify and document lessons learned, and make recommendations regarding specific actions that might be taken to improve the project implementation and approach. The MTR is expected to serve as a means of validating or filling the gaps in the initial assessment of relevance, effectiveness and efficiency obtained from monitoring, and to allow for Programme correction as necessary. To this end, the MTR will serve to:

- Strengthen the management and monitoring functions of the project;
- Enhance the likelihood of achievement of the project objectives through analyzing project strengths and weaknesses and suggesting measures for improvement;
- Contribute to organizational and development learning;
- Enable informed decision-making;
- Assess the sustainability of the project's interventions;
- Create the basis of replication of successful project results achieved so far.

The intended target audience for the MTR are:

- UNDP (Regional and country offices)
- Government of Sweden
- UK Department for International Development (DFID)

3. A draft inception report was submitted to the Advisory Board on the 28 October 2014. The final inception report was submitted on 14 November. The team is grateful for the comments provided by the UNDP and the Swedish International Development Agency (SIDA) on the inception report and the draft MTR.

4. The timing of the key milestones is as follows:

Table 1 Timing of key milestones for MTR

Activities	Proposed timeline
1. Start-up teleconference	20 October
2. Literature Review	20 October to 30 October
3. Inception report	31 October
4. Mission to Thailand for regional workshop and meetings	3-13 November
5. Additional Data Gathering including Field Questionnaires to Bangladesh and Indonesia	15-27 November
7. First draft report preparation and submission	4 December
8. Final MTR report preparation and submission	15 January

3.3 Programme background

5. The Programme for *Strengthening the Governance of Climate Change Finance to Benefit the Poor and Vulnerable in Asia and the Pacific* has a regional support component provided through the UNDP Asia-Pacific Regional Centre (APRC) Thailand office and country-level components in Bangladesh, Cambodia, Indonesia, and Thailand. The MTR reviews the extent to which the Programme has strengthened capacities at three levels as follows:

1. **Regional:** regional organisations are being supported to take over the functions of the APRC - functions relating to primarily to the promotion of South-South learning, regional capacity development; and interactions with international policy processes. This MTR assesses the extent of active collaborations with regional organisations and the potential of these collaborations to lead to a transition of service delivery from UNDP APRC.
2. **Regional to national:** the effectiveness of implementation support that has been provided to country teams in developing climate fiscal frameworks and implementing the recommendations from the Climate Expenditure and Institutional Review (CPEIR) process.
3. **National:** the extent to which country-level implementation progress on developing climate fiscal frameworks has been made, and progress on the implementation of the CPEIR recommendations.

3.4 Scope and methodology

6. The original scope of the MTR is set out in the Terms of Reference (Annex 8). The MTR covers a number of aspects of the programme, including the following: relevance and quality of project design, efficiency of implementation, effectiveness to date, and potential sustainability of project interventions. The MTR also reviews the achievements of the project together with the implementation progress towards its Objective and output targets. A key aspect of the MTR is to distinguish as far as

possible the Programme from the other support programmes working on climate finance in the region in order to isolate attribution of progress to the SIDA grant. The Programme is structured as a regional programme to support country level implementation in four countries: Bangladesh, Cambodia, Indonesia and Thailand. The MTR will therefore review the effectiveness of the Programme from the two perspectives: first country-level implementation of progress achieved for the CPEIR recommendations, the CPEIR being the foundation for this Regional Programme, and second the role of Regional component in supporting this. The MTR will base its assessment on the Results Framework, recognising the links with and diffusion into other support programmes in the region.

7. The MTR has a special focus on the extent to which the Programme has enabled partners to integrate gender equity and poverty reduction concerns within the management of climate finance. The MTR provides recommendations on how the programme can delivery stronger results for the remaining the life of the grant.

8. The ToR (Annex 8) clearly presents different tasks for the team which need to be completed over the course of the four different stages of the MTR (inception, data gathering, data analysis, reporting and dissemination). The main tasks and activities follow in the next sections.

3.4.1 Preliminary documentation review

9. A literature review was conducted in preparation for the mid-term review in order to clarify the context around the Programme, to identify the MTR review questions and the information gaps to be closed during the first MTR mission. A MTR questions matrix was developed, see Annex 3 for details. The documents analysed are summarized in Annex 5.

10. There are four core themes/components to be covered by the MTR as set out by the ToR, which provided the structure to the questions matrix:

- A. Concept design and relevance
- B. Effectiveness of approach
- C. Efficiency of implementation
- D. Potential sustainability

11. The issues that have been explored under each component are as follows:

- | | |
|---|---|
| <ul style="list-style-type: none"> A. Concept design and relevance | <ul style="list-style-type: none"> • Evidence base underpinning Programme strategy • Continuing relevance • Theory of Change |
|---|---|

- | | |
|---------------------------------|---|
| B. Effectiveness of approach | <ul style="list-style-type: none"> • Successes and challenges • Partnerships • Capacity development |
| C. Efficiency of implementation | <ul style="list-style-type: none"> • Work planning • Progress reporting • Financial management |
| D. Potential sustainability | <ul style="list-style-type: none"> • Risks to sustainability • Replication potential • Knowledge dissemination |

12. An additional issue has been added to the 'Efficiency' review criteria: that of progress reporting as a few issues were noted with this during the course of the review.

3.3.2 Inception report

13. Based on the preliminary literature review and first contacts with key informants, an inception report was prepared and finalised on 14 November, reflecting the understanding of the assignment and incorporating a detailed work plan for the mandate.

3.4.2 Data collection phase

14. Both primary and secondary data were collected. The MTR was undertaken using a combination of techniques and data sources, including:

- Documentary analysis of all relevant project documentation;
- Semi-structured interviews with stakeholders and partners;
- Questionnaires and follow-up calls;
- Follow-up questions by email

15. Annex 4 sets out the stakeholders interviewed for this MTR as well as the country level stakeholders contacted for feedback by questionnaire.

16. The first mission was undertaken in Thailand (3rd November to 13th November). The purpose of this mission was to conduct initial meetings with the UNDP APRC team, to meet with other donor stakeholders such as SIDA and DFID, to meet some of the country government stakeholders and to hold interviews with the Thai government stakeholders. The MTR team also attended the November regional climate change finance workshop, which was a valuable opportunity to learn about the achievements and challenges facing the programme countries.

17. A second mission was conducted by the lead consultant (9th December-12th December) in order to present the draft findings at the annual review meeting and to

provide an opportunity for the Programme team to input into the development of the MTR recommendations.

3.4.3 Data Analysis and Interpretation

18. This stage included the comprehensive analysis of quantitative and qualitative data on implementation progress as measured by the results framework outcome and output targets. The review team have tried to ensure the verification of data through cross-reference of documents and triangulation of interviews.

19. To report the implementation progress of activities under each output, the MTR team has used Table 3 to record information. To report implementation progress against the Programme results framework, the MTR team has used Table 4.

3.5 Structure of the mid-term review report

20. The remainder of the MTR is structured as follows: Section 4 presents a detailed description of the Programme rationale, structure and methodology. Section 5 presents the findings. The findings are structured according to four criteria: Conceptual design and relevance, effectiveness of approach, efficiency of implementation and potential sustainability, as well assessing implementation progress towards its targets. Conclusions, recommendations and lesson learnt are presented in Sections 6, 7 and 8. The annexes contain operational data relating to programme management, as well as details of the data collection methods and the ToR.

4.0 Programme and its Development Context

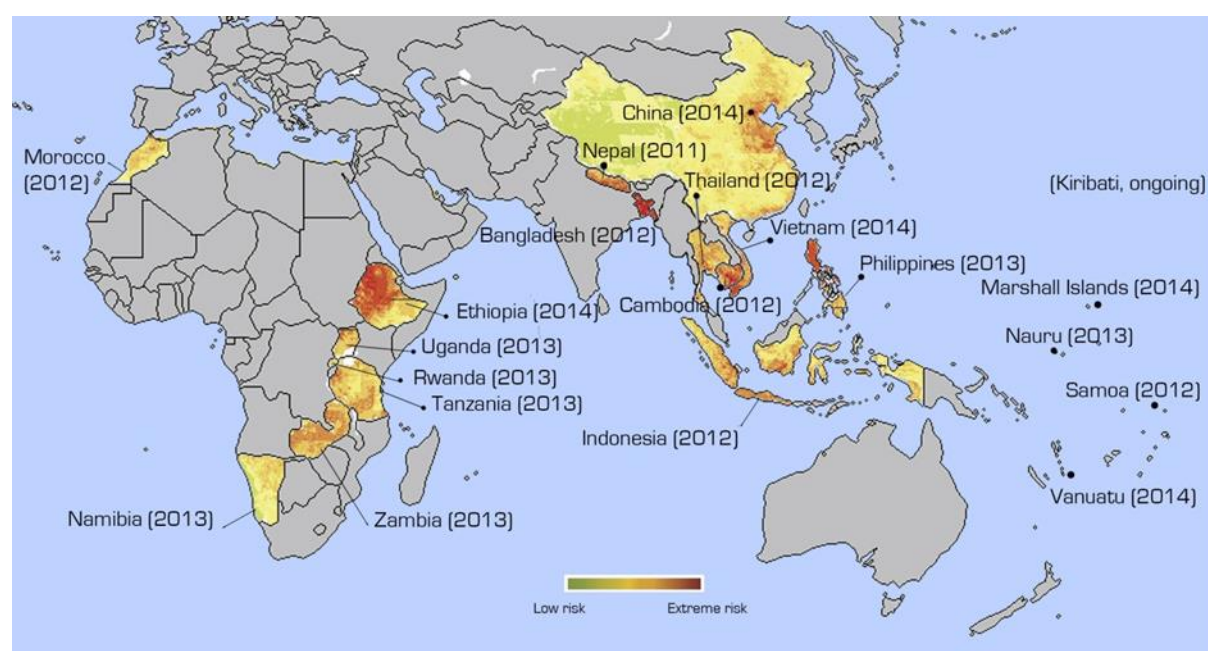
4.1 The Development context

21. Climate change is happening at an unprecedented rate and threatens countries' development progress and economic growth across the globe, but developing countries are particularly vulnerable because of the presence of large numbers of poor people who are reliant on rain-fed agriculture and natural for their livelihoods and the limited adaptive capacity. The pace of change is accelerating as atmospheric greenhouse gas emissions rise, and with it efforts to adapt to the change will become more challenging. There are strong opportunities too as the added pressure will require increased pace of policy reforms in climate-sensitive sectors and a new set of sustainability-relevant factors upon which to plan public policy and associated expenditures. Increasing financing flows to help developing countries manage climate change calls for more capable country systems and stronger coordination between public institutions.

22. The Programme is founded on a series of country and regional activities that began in 2010 with SIDA seed finance (\$100,000) and culminated in CPEIRs produced for a range of countries in 2012. The first CPEIRs were undertaken among other things to review recent trends of budget allocations and/or public expenditures that appear relevant to climate change, and to provide recommendations for improving the relevance and impact of public expenditures committed through climate change policies. It was envisioned that by enabling governments to establish that they were already spending on climate change, it made sense to assess the extent of these funds and then to track these expenditures and to assess the relative success of each country in rolling out climate change strategies in the areas of adaptation and mitigation. By 2014, twenty (20) CPEIRs or similar studies have been carried out, including those carried out by UNDP, the World Bank, and the ODI². Three reviews are still ongoing (Pakistan, Fiji, and Tonga). Figure 1 maps out where the CPEIRs have been carried out to date.

² Bangladesh, Cambodia, China, Ethiopia, Indonesia, Kiribati, Marshall Islands, Morocco, Nepal, Nauru, Philippines, Rwanda, Samoa, Tanzania, Thailand, Uganda, Vanuatu, Vietnam, Namibia and Zambia.

Figure 1: Map of CPEIRs carried out, and Climate Change Vulnerability Index for 2014



Reference: CPEIR Lessons Learnt Paper by Adelante Knowledge & Development, 27 October 2014

Programme Problem statement

23. The programme document notes a number of gaps in the management of climate finance to maximize contributions to poverty reduction and growth such as:

- policy inconsistencies in sectoral policies which undermine climate change policies and strategies;
- a lack of clarity on how much financing is being spent on climate-relevant measures and what this spending is delivering;
- a lack of costed implementation strategies for climate change responses, and
- a lack of regional leadership and capacities to promote climate change responses in the region, promote south-south learning and capacity development, and to communicate lessons learnt into United Nations Framework Convention on Climate Change process (UNFCCC) and Global Partnership for Effective Development Cooperation (post-Busan) processes.

Significance of the issue

24. Climate change finance includes all climate related finance from domestic sources of public finance; international sources such as Official Development Assistance (ODA) or international climate funds; as well as private sector and Non-Governmental Organisation (NGO) contributions, though the focus of this Programme is primarily on domestic finance. Climate change spending is already significant. Globally figures show that the total bilateral climate change-related aid by members of the OECD's

Development Assistance Committee (DAC) was USD 22.6 billion in 2010, which represents about 15% of total official development assistance, with the Asia Pacific region receiving around 33% of adaptation-related and 50% of mitigation-related aid in 2010. New donors are emerging from the region, with a unique potential to shape international policy and practice. And the CPEIRs carried out to date revealed that national budgets are significant sources of spending on climate-related expenditures - up to 18% in Vietnam.

25. The Programme aims to improve the governance of climate change finance for the poor and vulnerable in Asia and the Pacific. This essentially means effective management of climate-relevant expenditure for poverty and gender-focused results.

26. The Programme aims: i) to have strengthened other regional institutions at both the technical and policy levels to take forward delivery of services established by the APRC ii) to have leveraged further resources at country levels to take forward implementation, and iii) to have connected country level stakeholders with regional expertise enabling them to directly access services without further need for support from the UNDP Regional office.

27. The programme aims to strengthen ownership and ensure sustainability in four ways:

- (i) by working with existing institutional arrangements at the country level;
- (ii) by ensuring that all country Programmes are linked to ongoing programmes;
- (iii) by working with regional organisations to embed capacities for delivering future products and services related to the management of climate finance; and
- (iv) partnering with climate change finance champions across the countries of Asia and the Pacific.

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28. The three Programme outputs are as follows:

Output 1: Fiscal policies are formulated and institutions are strengthened to facilitate the delivery of climate change finance to the poor in countries of Asia and the Pacific (ENABLING PLANNING AND BUDGETING)

Output 2: Government budgets delivering more climate change programs that reach the poor and vulnerable (ENABLING DELIVERY)

Output 3: Capacities of regional institutions strengthened to provide products, services and skills that better meet the climate finance needs of Asia and the Pacific (SHARING)

29. The key Programme details are as follows:

Sida funding: USD4.6 million over 3 years
Co-financing: USD 1,494,100
Programme cost USD4, 640,512
Start of implementation: December 2012
Planned closing date: July 2016
Implementing partners: Direct Implementation Modality (DIM).
Main country partners involved: Ministries of Finance plus Bangladesh: Ministry of Local Government; Cambodia: Ministry of Environment; Indonesia: Ministry of Local Government; Thailand: Ministry of Environment & Planning and Ministry of Agriculture and Cooperatives

30. The *Programme Objective* is: 'Equitable use of climate finance widely recognized as a national policy priority within Asia and the Pacific, with specific measures put in place to channel climate resources to the poor and vulnerable'. The Programme framework has three Objective indicators, one Outcome and three outputs with 11 output targets, see Box 3 for details. Each output has a series of activities related to it. There are 14 activities in total.

31. At Programme approval, just over half of the Programme budget was for country level activities in Bangladesh, Cambodia, Indonesia and Thailand as detailed in Outputs 1 and 2 (with Activity 5 in Output 2 focused on regional knowledge sharing). Output 3 is focused on regional delivery provided through the UNDP APRC Thailand office. Output 1 represented the largest proportion of the budget at 32%. The regional component – Output 3 – represents the smallest share at nearly 22%. The outputs and activities are set out in Table 3 in Section 5. The planned and realised output budgets are reflected in Table 6 in Section 5.

32. Within four years the Programme aims to have:

- Leveraged further resources at country levels to take forward implementation of the policy frameworks and programming approaches developed over the course of the programme.
- Connected country level stakeholders with the regional technical expertise and policy processes, enabling them to directly access services and contribute to policy dialogue without further need for UNDP regional support.
- Strengthened regional institutions at both the technical (e.g. academic organisations and civil society organisations) and policy levels to be able to take forward delivery of the services established over the course of the programme.

5.0 Findings

5.1 Overview and Country summaries

5.1.1 Overview

33. The following section presents the findings according to the four criteria set out in the ToR: Conceptual design and relevance, effectiveness of approach, efficiency of implementation and potential sustainability. A range of issues associated with these criteria were considered, see paragraph 11 for details.

34. The finding section is divided into four sections. Section 2 outlines the conceptual design and relevance of the Programme and covers (i) Theory of Change, (ii) Evidence base underpinning the Programme strategy, and (iii) continuing relevance of the Programme. Section 3, covers the Effectiveness of the approach including: (i) Successes, (ii) Partnerships and, (vi) Capacity development. Section 4 covers the Efficiency of implementation of the Programme and covers: (i) work planning ii) progress reporting and (iii) financial management. Finally Section 4 covers potential sustainability of the Programme including: (i) risks to sustainability ii) replication potential, (iii) risk management and (iv) knowledge dissemination.

35. The findings are written for the Programme as a whole, drawing on examples and country details to support the findings. The findings are based on documentary evidence and analysis, stakeholder interviews, and follow up emails as well as questionnaires sent to country stakeholders. Annex 4 contains the stakeholders interviewed and contacted by questionnaire, Annex 5 lists the documents consulted, Annex 6 contains the questionnaire sent to country stakeholders, and finally, Annex 7 contains the country stakeholders contacted and those that responded.

36. The MTR also reviews the achievements of the project including its objective and output targets. A key aspect of this will be to try to distinguish as far as possible the Programme from the other support programmes working on climate finance in the region, recognising the links with and diffusion into other support programmes in the region.

5.1.2 Country summaries

37. The section begins with summaries of country implementation progress under this SIDA grant.

Bangladesh

Background context

CPEIR completed: May 2012

Headline findings of CPEIR

1. National climate expenditure represented between 5.5% and 7.2% of the government budget (about \$US 1 billion per year) during 2009-2011.
2. 77% of expenditures are funded from domestic resources and 23% from donor resources.
3. 37 of 57 ministries have at least one climate-relevant programme, and 10 bilateral and multilateral donors have climate related projects/activities. This represents a significant challenge for coordination and coherence.
4. The ministries with the highest climate-relevant spending was Local Government (22%), Agriculture (20%) and Disaster Management & Relief Division (17.5%).

Main achievements of the Programme

- CFF completed and validated in April 2014; published in June 2014.
- Climate Fiscal Framework Committee has been set up and is chaired by Additional Secretary, Budget Department, Ministry of Finance.
- Local level CFF completed based on 8 case studies (in Bangla, in process of being translated).

IBFCR project has been completed (awaiting approval) with co-financing from GIZ, PEI, UNDP and DFID of \$2,000,000. SIDA will support the IBFCR project through a national PFM consultant and a program assistant based in the Country Office and through a national consultant in the Ministry of Local Government Division for the 5th component on 'More effective Planning and budgeting for climate change finance at the local level'

Main partners

- Economic Relations Division , Ministry of Finance and Ministry of Local Government

Leveraged financing: \$10,25 million

Cambodia

Background context

CPEIR completed: July 2012 and updated in August 2013

Headline findings of CPEIR

1. National climate expenditure represented between 14.9% and 16.9% of the governments total budget during 2009-2011.
2. About half of the 450 to 500 projects and programmes implemented over the last three years have had some climate-relevance, with the majority of these funded by donors off-budget.
3. The Ministries with the highest climate-relevant spending was the Ministry of Public Works and Transport (27%), Water Resources and Meteorology (13%) and Ministry of Health (10%).

Main achievements of the Programme

- CFF completed in June 2014 and officially endorsed in November 2014
- Cambodia CC task team finance sub-group established. National CC committee (NCCC), CC technical team and Secretariat set up with a mandate to coordinate the national CC response.
- A council will replace the NCCC. This council is expected to be chaired by the PM.
- Climate-sensitive policy appraisal method piloted.
- Climate finance work stream developed with Cambodia Climate Change Alliance leveraged financing.

Main partners

Ministry of Environment

Leveraged financing: \$2,050,000

Indonesia

Background context

Mitigation Fiscal Framework completed: December 2012. Established an emissions reduction target of 26% ((approximately 767million tCO₂e)

Headline findings

Forestry, peatlands, energy and transportation are the focus of this first Mitigation Fiscal Framework and cover 93% of the emission reduction targets.

These reductions can be achieved through i) current expenditure trends (20%) ii) improving efficiency of expenditure (10%) iii) low carbon power generation (14%) iv) limiting deforestation (34%) of reductions, and v) new initiatives (16%).

A number of critical actions are planned such as i) instituting a system of mitigation budget scores to determine the level and impact of mitigation expenditure and recognition of mitigation in the MTEF; ii) building capacity to analyse the cost effectiveness of mitigation actions, including co-benefits; iii) implementation of Regional Action Plans; and iv) the development of regulations, licensing and fiscal instruments.

Main achievements of the Programme

- Sustainable Financing for Development Project (SDF) established with leveraged financing of \$1,050,000
- Sub-national CPEIR launched in NTT Province in June 2014.
- Project partnership established with GEF adaptation project ('Strategic Planning and Action to Strengthen Climate Resilience in Rural Communities' - SPARC) and co-analysis being carried out on the distributional flows of climate-relevant finance, matched with climate change vulnerability analysis.

Main partners

- Ministry of Finance

Leveraged financing: \$6 million

Thailand

Background context

CPEIR completed: June 2012

SIDA-funded programme is being implemented within an umbrella project on Strengthening Thailand's Capacity to link Climate Policy and Public Finance (2013-2015), which also includes UNDP Thailand Country Office core funding. The overall *objective* of the project is to support Thailand in allocating and using its public finances effectively and efficiently to achieve its objectives on climate change and green growth.

Headline findings of CPEIR

1. National climate expenditure represented an average of 2.7% of the government total budget (THB 52,000 million or \$US 1.7 million per year) during 2009-2011.
2. The Ministry of Agriculture and Cooperatives (MoAC) receives the largest proportion of climate change related budget allocations.
3. The majority of the climate budget was allocated to programmes that have either secondary objectives related to climate change, pointing to the need for mainstreaming.

Main achievements of the Programme

- Recommendations of CPEIR have been integrated into the CC Masterplan.
- An Interagency Taskforce on Climate Change Adaptation in Agriculture has been formed bringing together representatives from the Bureau of Budget (BoB), the fiscal Policy Office (FPO), Office of Natural Resources and Environmental Policy and Planning (ONEP), the National Economics and Social Development Board (NESDB) and the Ministry of Agriculture and Cooperatives.
- 4. Climate-sensitive policy appraisal method has been piloted in the Agriculture sector.

Main partners

- Office of Natural Resources and Environmental Policy and Planning (ONEP),
- National Economics and Social Development Board (NESDB),
- Fiscal Policy Office (FPO),
- Ministry of Agriculture and Cooperatives and
- Bureau of Budget (BoB).

Leveraged financing: \$1.3 million

5.2 Conceptual design and relevance

38. This section synthesises findings on the quality of the design of the project, which relies on the theory of change and its associated results framework. It further assesses the degree to which the Programme was designed on the basis of a valid proposition as well as the relevance of the Programme to the global/national development agenda.

5.2.1 *Evidence based underpinning the programme strategy*

39. The four country CPEIRs, prepared in 2011/12, were a first attempt to quantify the size and significance of climate-relevant expenditure in their respective economies as well as identifying the institutions responsible for executing these expenditures. The CPEIRs were developed as a technical exercise through a partnership of international and national consultants. A government focal point linked the CPEIR process to a government steering committee in Bangladesh, Cambodia and Thailand, thus promoting government ownership of the process.

40. Following the publication of the four CPEIRs, CFFs in three of the four programme countries were developed (excluding Thailand, which tied the recommendations into its Climate Change Master Plan). The CFFs were established through a process of technical analysis supplemented by qualitative information gleaned from meetings, seminars, and group discussions with a range of stakeholders. The policy discussion enabled the identification of the range of climate finance available across government (by attaching 'relevance' weightings to government budgets), policy instruments that could be used to target climate change expenditures, projected needs for mitigation and adaptation, and governance arrangements for the management of climate change finance. Some subjectivity around the estimation of relevance weightings has been inevitable but Programme efforts in Thailand and Cambodia have been focused on developing weightings in a more evidenced based way.

41. All of the four country projects support CPEIR policy recommendations directly and indirectly. To the extent that the CPEIRs and follow on CFFs are an expression of country demand and priorities, this Programme is supportive of country priorities. Box 1 contains the list of recommendations from the Bangladesh CPEIR, some of which will be addressed by the SIDA grant through the Bangladesh Inclusive Budgeting and Financing for Climate Resilience (IBFCR) project due to start in 2015. The Cambodia CPEIR had a longer list of 20 recommendations for follow-on implementation. These lists of recommendations show the work required to develop a climate fiscal framework. The SIDA grant represents the beginning stages of this work.

Box 1: Bangladesh CPEIR recommendations

- More detailed costing of CC response options, including role of private sector (including households)
- Macro-economic study to evaluate impacts of zero spending on CC, benefits incidence, long term spend required and trade-offs.
- Introduction of CC budget coding.
- Improving process efficiency for each financial delivery mechanism (PFM Capacity development)
- Guidelines for project approval by the Bangladesh Climate Change Trust Fund (BCCTF). Reflection of expenditures in the Medium Term Expenditures Framework (MTEF)
- Strengthening MTEF and Annual Development Plan management system.
- Institutional strengthening for Auditor -General office.
- Review of procurement regulations for Central Procurement Technical unit.
- Inclusion of CC code in MTEF procedures to ensure that this is mainstreamed into Ministry plans
- Strengthening coordination processes in development of climate policies: b/w Planning Commission and Finance Division in interpreting and funding climate policy (includes setting up standards and guidelines by Planning Commission); b/w finance and planning ministries and sector ministries and Local Government, and b/w Government and Private Sector, CSOs
- National Parliamentary Standing Committee on Environment strengthened to engage on CC. and scrutinise budgets
- Higher learning institutions to engage of CC for production of CC knowledge.
- Establish CC specialists with a diverse set of policy and operational skills across ministries. Work with Public Service Commission.
- Carry out capacity assessment of stakeholders to manage CC projects.
- Households surveys on CC-relevant spend for better policy targeting.
- Assessment of climate-relevant spend by NGOs and private sector.

Source: Bangladesh CPEIR, 2012

42. The fiscal frameworks in Bangladesh and Cambodia were bound by climate financing scenarios rather than the projected costs of managing climate change and are therefore an underestimate of the true costs of climate risk management over the medium to longer-term. On the one hand, concentrating on developing the evidence on what constitutes the most effective use of climate change-relevant financing within the trending fiscal space may be a pragmatic response in countries with low absorptive capacity. On the other hand, the purpose of a CFF for some governments may be more advocacy-based in assessing the full costs of mitigation/low carbon development and adaptation needs, and calls for international finance to meet the challenge. As the Bangladesh CFF points out, the CFF concept is still in the early stage of

development. The important thing is for the country governments themselves to be in the lead in defining what a CFF means to them.

5.2.2 Continuing relevance

43. Relevance can be assessed at three levels: global relevance regarding the need to prepare country systems to receive global climate funding; needs relevance in terms of scale of need in preparing country systems, and political and policy relevance according to political priorities in the country at this specific time. The Programme is highly relevant to the global mandate of delivering \$100 billion annually by 2020. The scale of this financing requires delivery systems that are effective and efficient. Partners therefore need to focus on making use of programmatic approaches to finance delivery and effective use of country budget systems. The Programme is also highly relevant to support country preparedness for international climate change funds in each of four Programme countries. At one end of the spectrum is Indonesia and Bangladesh where they have systems that have moved towards programme-based budgeting centrally but attention there is needed in preparing sub-national budget systems and performance-tracking more generally. At the other end of the spectrum is Cambodia where climate-relevant support is provided through projects, mainly off budget, and where there is limited experience with evidence-based budget allocation and weak links between plans, budget commitments and budget allocations.

44. With reference to in-country relevance, there have been mixed experiences in engaging Ministries of Finance and maintaining their lead. In Bangladesh, the Ministries of Finance and Planning seem to be firmly behind the objectives of this Programme, although there is contention between the two Ministries in relation to ownership of climate finance project budgets. In Indonesia, the work has shifted to the sub-national level because of a lack of prioritisation for the gender and poverty targeting focus by the Ministry of Finance (2nd progress report), though there seems to be firm commitment to the Mitigation Fiscal Framework, helped by a wider reform movement towards performance-based budgeting. In Cambodia, and Thailand, support for the Programme came largely from the Environment Ministry and then through line ministries in the Thailand case. Still, in all cases, buy-in from the Ministry of Finance has progressively been cultivated, which in the case of Cambodia was helped by a change of government and ministry staff. Ministries of Finance are the key partners in this Programme and though they may have been reluctant partners at times, the Programme is generating useful experiences on how these partnerships may be developed from a baseline of low interest from Ministries of Finance, which is especially relevant given the need to carve out reform pathways for reform to enable absorption of larger flows of climate finance.

45. The experiences have also shown that there has been shifting relationships between the UNDP APRC and recipient government Ministries. For example in

Bangladesh, the follow-on CFF from the CPEIR that was developed initially with the Ministry of Planning was developed under the Ministry of Finance (Finance Division and Economic Relations Division). Connections have then been made with Ministry of Local Government Rural Development and Cooperatives in institutionalizing the local climate fiscal framework and linking it to the national one. Similarly in Thailand initial workings were with the Bureau of Budget (BoB), the National Office economic and Social Development Board (NESDP) and the Thailand Office of Natural Resources and Environmental Policy and Planning (ONEP), but the follow up CPEIR is being led by Ministry of Natural Resources and Environment (MoNRE). The technical work is currently focused on Ministry of Agriculture and Cooperatives (MoAC) among other reasons because BoB was not interested in developing a climate marker in its classification system. BoB remained engaged in the cost-benefit analysis (CBA) workstream being carried out by MoAC, in part with the support of Fiscal Policy Research Institute of Thailand and in part because the argument that climate change will be impacting budget results is a powerful one. These fluxes in engagement between different ministries each with roles to play in developing country systems show the continued need for advocacy on climate change. This appears to be especially the case in Cambodia and Thailand where not all actors and in particular budget actors are fully behind the need to mainstream climate change into planning and budgetary frameworks.

46. Different countries have different reasons for embarking on this work. In Indonesia it is about improving own systems within a wider enabling environment of PFM reform. In Cambodia the drive is the possibility of attracting external finance. In Thailand environment and agriculture ministries are motivated by the possibility to mitigate negative economic impacts through better budgeting, but there is no real buy-in on climate change expenditure as a concept by the BoB. Instead the programme focuses on strengthening the budget submission process through adjusted policy appraisal methods. The Programme has carried out some pioneering work on benefit-cost ratios to highlight in relatively simple terms the added value of policy choices once climate change is factored in, which could also guide future climate finance allocations. An example of relevance and ownership of the Programme to country governments is the IBFCR programme in Bangladesh which sparked a heated debate between Planning and Finance ministries about which ministry should be responsible for it in spite of the additional work load it carries.

5.2.3 Theory of change

47. There are two distinct parts to this Programme: a country level component (two outputs) and a regional /international component (one output). The programme document does not include an explicit theory of change (ToC) for either component. The ToC, such that it can be gleaned from the Programme Document, starts from integrating climate change adaptation and mitigation finance with actual budget

commitments in country with a view to moving towards benchmarking and tracking these expenditures, and full integration of climate change considerations in the budget process. But progress has been slower than envisioned. Although three CPEIRs and a Mitigation Fiscal Framework in Indonesia were prepared in the Programme countries in 2011/12, establishing capacity building projects on this theme was not feasible in two of the four programme countries – Cambodia and Thailand because of the PFM context. In these two countries the approach started with relatively easier wins such as adjustments of the policy appraisal methodology to develop a shared understanding of what constitutes good investments in climate change responses.

48. The programme design was based around the CPEIR budget tool, offering a highly relevant entry point. There was no road map provided at the country level to achieve the programme targets. Instead the country level road map was developed during the annual work planning exercises. This may have been justified because of the novelty and uncertainty of the process - climate finance mainstreaming had never been tried before. But similarly, some of the targets could have been left open to agreement until the in-country strategy had become clearer. The Programme Document recognises that *'the pace of these reform processes and the capacity of government to take forward reform will determine the tailored support to individual countries'* (programme document, pp17). Country-level ToCs could have better captured country realities, risks and barriers in country specific institutional context. Instead the results framework was tied up with country level indicators that were by and large unrealistic, especially given the short time frame for project implementation (three years). Likewise, for Outputs 2 (poverty and gender targeting) and 3 (regional dimension) there is no explicit implementation strategy set out in the programme document.

49. The programme strategy is thus quite general in its design which is around a series of technical inputs, the use of case studies, support for government coordination processes as well as informing international policy processes. Given the ambition of the Programme targets, the assumptions made in the Programme document were that there was buy-in and leadership from Ministries of Finance and Planning and that there were no political economy and other technical barriers such as recipient government capacity weaknesses for the implementation process. Experience has now shown that contextual realities and political economy issues have indeed slowed down implementation progress. Not all of these issues were adequately captured in the risk analysis for the Programme. Examples of political barriers experienced were the contested ownership of the project in Bangladesh which affected placement of the Programme, a lack of experience and incentives to link budgets to policies and plans in Cambodia, in Thailand, where there was a lack of ownership by the Ministries of Finance, and finally, the election processes in Bangladesh and Cambodia and the coup in Thailand. Recently, other difficulties have emerged in Indonesia where there were substantial delays in signing off the programme. Other examples of technical barriers experienced were in identifying demand-led technical approaches to

developing climate fiscal frameworks in Thailand, CO staff turnover in Indonesia, and the time needed to translate work plans into government formats in Bangladesh.

50. The political barriers in Cambodia and Thailand, as well as structural challenges such as weak public financial management (PFM) systems in Cambodia, highlight that the Programme's success is highly contingent on a wider context of PFM reform, ownership by the relevant ministries, as well as experience with evidence-based planning and programme budgeting, and that where this is lacking, the mainstreaming trajectory has necessarily been slower.

51. The actual strategy in-country has been tailored to the country context - that is to say, the political and technical barriers in each country - for example in Thailand and Cambodia, where PFM focus on climate change reform is slower, the technical inputs have been focused on adjusted policy appraisal processes (ex-ante planning). In Cambodia the focus is on putting a tag on the donor database which tracks donor funds, responsible for 75% of Cambodia's climate expenditure, demonstrating a pragmatic response in a challenging context. In Thailand the focus has shifted from the Ministry of Finance to the Ministry of Agriculture. In Bangladesh and Indonesia where the wider PFM context has moved towards programme-based budgeting there is more scope to direct technical inputs towards budget analysis and informing policies. Similarly in Bangladesh and Indonesia there was more scope for action at the sub-national level since others were already supporting central government and in Thailand, a single sector approach starting with Agriculture has proven the most practicable.

52. Mainstreaming processes is a medium-to long term reform process that is susceptible to domestic political swings. It is therefore likely to take many iterations of annual budget cycles for climate finance mainstreaming to effectively take hold, especially considering the broad nature of the task: from multi-sectoral, cross cutting planning processes through to changes to budgeting and then to monitoring frameworks and accountability processes. Some estimates were between 5 to 10 years of commitment, with the effectiveness of the reform dependent on relationship building between ministries as well as significant capacities developed. For example, one of the lessons learnt from the CFF process in Cambodia (Cambodia Methodological note, 2014) was that institutional change would be slow to achieve even in a situation of strong support from central economic ministries, because procedures and skills for evidence-based policy analysis in government are limited, and these would take a lot of time to build up. Even in a middle income country like Thailand, policy appraisal capacity is limited making evidence-based policy development more challenging. Intermediate achievements such as institutionalising regular annual reviews, rather than budget tracking per se, would be more realistic in these contexts.

53. A further illustration where there is evidence of a slower than anticipated pace of mainstreaming can be seen in the slowness of the Programme in achieving Target 1: *At least 3 countries develop and reference climate change specific policy measures within medium and annual fiscal policy frameworks at national level by 2015.* The Climate Fiscal Frameworks (CFF) produced in the Programme countries are an initial diagnosis of the regulatory and fiscal reforms needed. This first round of exercises do not therefore deliver Target 1 on developing and referencing climate change specific policy within medium and annual fiscal policy frameworks. Examples of CFF conclusions and recommendations included in the CFFs are for example:

- *Bangladesh:* an initial exploration of fiscal options is provided for instruments such as a CO2 emissions tax, tax expenditures, removal of subsidies on fossil fuel, subsidies for green energy and fuel price levies.
- *Indonesia:* A number of critical actions are needed to reach the 26% greenhouse gas reduction target are planned such as new initiatives (implementation of Regional Action Plans; and development of regulations, licensing and fiscal instruments) which are expected to deliver 16% of the reductions needed.

Difficulties with the Programme targets, and recommendations for adjusting these, is discussed further in this Section.

54. Common across countries were the difficulties of working across institutions which have their different languages, mandates and perspectives, adding challenges to the mainstreaming process. The common view across countries is that the preparatory phase of the Programme in-country has taken about a year to lay the foundation for implementation progress. The inception phase has therefore turned out to be a significant proportion of a 3.5 year programme.

55. The Results Framework indicators and targets mostly reflect country-level implementation but, as discussed above, the targets do not reflect country mainstreaming pathways. The funding was also too small to reach the country level targets without leveraged financing. Implementation progress was therefore contingent on other funding streams being initiated, a strategy which carried risks that were not acknowledged in the Programme Document , for example administrative delays in the start-up of co-financing flows and non-materialisation of the finance.

56. The Results Framework at approval stage had one objective, 3 outputs, 14 activities and 11 targets, see Box 3 for a summary of the targets. Starting with the objective, statements on the focus of the programme are significantly different across the programme document and progress reports, for example:

- The goal of the Programme is to integrate climate change within the budgeting processes across Finance, Planning, Local Government, Environment and sector ministries (2nd progress report).
- The programme is focusing on generating evidence and guidance (2nd progress report).
- The Programme aims to ensure that the equitable use of climate finance is widely recognised as a national policy priority within Asia and Pacific and that specific measures are put into place to channel climate resources to the poor and vulnerable (2nd progress report).
- The Programme establishes a regional platform for promoting innovations and sharing experiences on the governance of CCF to benefit the poor and vulnerable across the four countries, and a broader sharing of lessons learnt across the Asia-Pacific region (2nd progress report).
- The Programme uses regional networks to strengthen international discussion over the channelling of CF to the country-level (2nd progress report).
- The regional programme is focused on promoting reform to the budget cycle in ways that integrate climate change response across a government's portfolio of investments and fiscal policy. Sometimes called a 'whole of government' approach (1st progress report).

57. From the statements above, the different facets of the climate fiscal framework concept can be categorized as i) climate change is explicitly accounted for in budgeting systems and ii) that expenditures that are climate-focused are targeted on poverty reduction and gender equality, iii) climate change is mainstreamed into fiscal policies and iv) CC should be promoted through integrated planning procedures. However it is also true that the different PFM environments in which the Programme is operating must necessarily condition the strategic approach taken, which may explain why the programme is focused on different areas of the planning –budgeting spectrum across the four Programme countries. A shared understanding of targets to be reached and a differentiated strategy for reaching them was needed as discussed earlier on. Finally, given that there is also a regionality focus of the programme as well as a focus on the poor and vulnerable one might draw a conclusion that the Programme is pulled in many different directions, without a staff complement, budget or timeframe that is commensurate to the magnitude of the job.

Box 3 Programme targets at approval stage

1. At least 3 countries develop and reference climate change specific policy measures within medium and annual fiscal policy frameworks at national level by 2015.
2. National budgetary processes in at least 3 countries are tracking and analyzing the level and quality of climate expenditures, including benefit incidence, gender and equity by 2015
3. At least 3 countries have put in place a clearly defined inter-ministerial mechanism with a mandate to report on the delivery of climate finance to the poor, by 2015, which are currently under-resourced and meeting irregularly.
4. By 2015, in Thailand 35% of climate-related expenditures reflected in the national budget.
5. By 2015, in Cambodia 15% of climate related -expenditure reflected in budget / ODA tracking system
6. By 2015, at least 3 countries review and report on the benefit incidence (particularly poverty and gender targets) of their climate related expenditures at least once.
7. By 2015, at least two poverty programmes have established mechanisms to ensure that climate vulnerable populations' needs are addressed in planning, implementation and in the M&E framework.
8. By 2015, at least 2 global climate finance processes (UNFCCC/HLF) are informed by the preferences of country representatives from Asia-Pacific, mediated through regional institutions.
9. By 2015 at least three south-south meetings / mission supported in response to demand from country policy makers and practitioners for climate finance support.
10. By 2015, at least 4 knowledge products developed and disseminated by regional institutions.
11. By 2015, at least 3 donor signatories to the BBB have undertaken specific measures to improve coordination with country governments, in at least 3 countries, over the management of climate finance.

Note: Targets 4 and 5 have been amended. Paragraph 65 has the details.

58. The Programme outputs are essentially around i) budget analysis ii) capacity development for better targeting of climate finance, and iii) regional lesson learning. The connection of activities to delivery of the outputs and how these are linked to the objective is unclear in the programme document, for example, it is unclear how the training of non-executive government organisations and community-based organisations links to the delivery of Output 1 on strengthened fiscal policies and

institutions. In fact, in the financial report against the workplan in 2nd progress report, this activity is linked to strengthened inter-ministerial mechanism, but there is no theory of change to support this.

59. Outputs are worded like Outcomes which is to say 'changes in development conditions', rather than tangible deliverables. Activities are more like outputs, though they would need adjustments to reflect tangible deliverables. The results framework should therefore have been shifted up a level. Activity-level reporting has been patchy at best in the progress reports. A re-defined hierarchy of activities and outputs to outputs and outcomes could have helped make progress reporting more systematic.

60. Programme targets are also worded in an unclear manner for example, for Target 1 it is unclear what is meant by 'develop and reference climate change-relevant policy measures within annual and fiscal policy frameworks', given the broadness of the CFF concept, see paragraph 56 above. It seems to mix planning and budgeting into one indicator which is too broad a result. And in Target 7 it is unclear what is meant by 'at least two poverty programmes have established *mechanisms* to ensure that climate vulnerable populations' needs are addressed in planning, implementation and in the M&E framework'; the associated indicator is however clearer (Number and type of poverty programmes that include specific measures to target, delivery, monitor and evaluate benefits to climate vulnerable communities). This ambiguity has implications for assessment of the extent to which results have been achieved but also adds uncertainty into the management process: namely, what should the programme management team actually be aiming for?

61. Targets 4 and 5 were revised in the second year of implementation to something more achievable, as follows:

- By 2016, in Thailand 35% of the budget proposal from MoAC will have integrated climate analysis (rather than 35% of climate-related expenditures reflected in the national budget).
- By 2016, in Cambodia 10% of climate related expenditure reflected in budget / ODA tracking system (rather than 15%)

62. Other observations are as follows:

- Objective/outcome level indicators had no targets attached to them at approval stage. Since then, two target values have been assigned to two of the indicators but the first is now inconsistent with Target 1 in Box 1 (see Table 4 in Section 5 for details).
- There is an overlap between output 1 and output 2 on reporting of benefit incidence. This is reflected in duplicated information in the progress reports.

- Output 3: the title does not reflect the content as described by the activities, which are about influencing through i) investments in donor coordination; inputs into programme design; and facilitating dialogue processes and ii) knowledge sharing meetings and products.
- Target 11 (Target 4 under Output 3) is not specific enough, for example, what would constitute 'measures to improve coordination' in order to determine achievement of the target?
- Output 2: only 2 country targets for climate finance tracking (surprisingly for the two countries – Cambodia and Thailand – where it is most difficult to make progress on this) but the work plan was for 3 countries – with the 3rd country beginning implementation in 2015.
- Activity 5 in output 1 on training for non-executive government institutions and civil society are not reflected in any targets, so progress reports do not report on this, even though the 2nd progress report revealed some implementation progress.

63. The main criticism of the Results Framework is therefore on the level of ambition which far surpassed the available funds and timeframe of the Programme and the political reality in-country. Having a clear theory of change with outputs and activities to match it and indicators covering all the main points of approach would have helped design of the RF as well as helped to make progress reporting more systematic and streamlined. Assuming that the Results Framework is proactively used as a management tool, it would also have helped with work planning. Recommendations to adapt Output Targets 1 and 2 which are currently out of reach, are provided in Section 7.

64. Finally, with regard to project design activities related to promoting capacities among non-executive government institutions and CSOs, this is not developed well at all in this Programme, despite the fact that support to non-executive government institutions and civil society organisations (CSOs) in helping to develop a challenge function to government is acknowledged as important across the country CFFs.³ This may be a result of limited country-level funding as well as the need to focus on key results. In addition, the political context in Cambodia in particular may make it difficult to get traction on this issue quickly.

The International Budget Partnership (IBP) were recently invited to participate in the Climate Responsive Budgeting Workshop (November 2014) in order to engage their network of budget transparency and climate change CSOs in this agenda. They

³ There is some mention of working with Accountability initiative in India but the information is not well reported.

presented at the workshop and in addition organized a clinic for CSOs on the third day of the workshop, see Box 4. There is probably scope to link the IBP network to Programme work on benefits analysis. The potential to capitalise on these synergies is noted in Section 7 on Recommendations.

Box 4 Strengthening Partnerships with Civil Society to Improve Climate Responsive Budgeting

In general, the CSOs that attended the workshop and the workshop side meetings were enthusiastic about learning more about how climate change finance is playing out in their country and in others, and they were also interested to learn how they might best engage in ensuring that mitigation and adaptation funds are managed effectively so as to build resilience in vulnerable communities, address specific impacts of climate change on lives and livelihoods, and promote more equitable and sustainable models of development in their countries. Across the board the groups feel that they have much to learn, but also that they can, and should, play a substantial role in the emerging systems and processes for managing the substantial inflow of funds into countries. CSOs can also play a catalytic role in improving the quality of governance through the following functions:

- Engage in/influence the planning and policy process by informing decision makers about the needs of people and communities and making evidence-based recommendations to improve the use of funds;
- Be an ally to governments and oversight institutions (i.e., connect them with what is happening on the ground, provide analytical support);
- Monitor the implementation of policies, programs, and projects and feed their findings on what is and is not working back into the policy and accountability process;
- Raise awareness and build capacity of communities and other organizations to participate in planning, implementation, and oversight processes.

CSOs need to be empowered to play this role through:

- Willingness on the part of government and oversight institutions to engage CSOs in a multi-stakeholder approach to managing climate funds;
- Comprehensive, accessible, timely, and useful information on climate change finance (on and off budget);
- Formal and informal spaces to participate in a meaningful way in the process.
- Cross-sector civil society collaboration;
- Capacity-building support (i.e., tools, guidelines, exchanges and other learning opportunities).

65. Other benefits not captured in the Results framework but which could yield important, though indirect benefits to poverty reduction are in the area of transparency and good governance. It is easy to see how the climate finance mainstreaming into budget processes could progress this agenda, as opening up budgets for scrutiny, an essential part of the CPEIR process. This is a key way for promoting dialogue and citizen involvement in the budget process. However, these benefits are contingent on there being a wider PFM reform process underway. In Cambodia and Thailand where budgets are politically driven better management of public finance is likely to be a longer-term process. There could be scope to pursue transparency benefits in Bangladesh and Indonesia in the remaining 18 months of this programme. For example in Bangladesh within the IBFCR programme, Component 5 which the SIDA funds will support, include capacity development measures to track climate sensitive budgets at the sub-national level. In addition, complementary work to monitor actual expenditure flows and benefits to the poor and vulnerable could be undertaken to help deliver Outcome Target 6, see Section 7 for further details.

5.3 Effectiveness of the approach

66. This section synthesizes findings on key successes of the Programme to date, the main partnerships that have made implementation progress possible and the degree to which the Programme is developing capacities. It also presents the implementation progress to date against activities and outputs, and it gives an assessment of the progress towards reaching the Programme targets.

5.3.1 Successes and challenges

67. Although the review team notes that there are issues in regards to the indicators agreed in the Programme logframe, success still has to be measured, at least partly, by implementation progress against the results framework in its approved form. By the standard of implementation progress to date, the conclusion drawn at this point is that three of the eleven Programme Output targets and one of the Objective targets are probably beyond reach within the Programme⁴. The Programme has made the most progress on Output 3 where all four targets have been reached. See Table 4 for the summary. The situation for Outputs 1 and 2 is as follows: The three targets for Output 1 are probably out of reach without a re-definition of the targets. Two targets for Output 2 are on-track because of the recent adjustment in targets, one is probably on-track

⁴ **Target 1:** At least 3 countries develop and reference climate change specific policy measures within medium and annual fiscal policy frameworks at national level by 2015. **Target 2:** National budgetary processes in at least 3 countries are tracking and analyzing the level and quality of climate expenditures, including benefit incidence, gender and equity by 2015.

(but unclear as there is an ambiguity around the definition) and the other could be within reach with a targeted implementation strategy. This MTR provides amongst others, ideas and recommendations for a targeted implementation strategy for Outputs 1 and 2.

68. Positively, the majority view captured from key informants is that the Programme itself is cutting edge on mainstreaming climate change finance into budget processes, and that it is a good programme that could be made better. Overall, the budget and expenditure analysis approach has enabled some level of engagement with central ministries of finance and planning where previously there was disinterest and skepticism. For example in Bangladesh there has already been a shift as witnessed by a MoF official going to the UNFCCC negotiations and the MoF mentioning the CFF in Parliament in the budget speech (2014-2015), indicating ownership of the process. In addition, the Ministry of Finance has been assigned the role of Designated National Authority for the Green Climate Fund. In Thailand the Bureau of Budget (MoF) which manages the budget side of the fiscal process, chaired a working group comprising the Fiscal Policy Bureau, the Planning Board and Ministry of Environment. Environment is the lead for follow-on work but collaboration with the other three agencies is still continuing. In Cambodia there is a proposal for the Prime Minister to chair a decision-making committee on climate change and green growth, which is reported to be a direct consequence of the CFF process.

69. The Programme has, to date, been mostly focused upstream i.e. expenditure analysis to identify climate-relevant expenditure at the central and sector level, as witnessed by the recent completion of climate fiscal frameworks (in 2014 for three of the four Programme countries). The first countries where work implementation actually started under the Programme in 2013/14 were Cambodia and Thailand, and implementation progress is furthest ahead here. Bangladesh and Indonesia were programmed to start later and accordingly they have yet to deliver any outputs noted in the results framework although in both countries there has been significant work done by UNDP to position the climate finance agenda within the context of larger support programmes (in Bangladesh the IBFCR and in Indonesia within the context of the Sustainable Financing for Development (SDF) programme). The two countries have the benefit of enabling PFM contexts and, for Bangladesh at least, leadership from the central ministries.

70. In Cambodia the Programme has supported the development of the CFF entailing a collaboration of nine ministries plus the national committee on disaster management and a methodological contribution to evidence-based weightings of climate-relevant investments. This first stab at quantifying the economic impacts of climate change in Cambodia has proven an effective advocacy tool particularly with Ministry of Finance, and has generated interest to integrate climate change in the cost benefit analysis of public investments (to be tested in 2015).

71. In Thailand the extended cost-benefit work to include climate change is leading to more integrated appraisal processes addressing the 'anti-mainstreaming' problem commonly found in situations where separate budget lines are assigned to climate change (or environment). The work is paving the way for a broader stream of work to mainstream climate finance into budget guidelines, to look at co-benefits within five agricultural departments, to look at the financial mechanism to implement the soon-to-be-approved climate change master plan and to work on the energy sector. Evidence based policy appraisal, of the sort undertaken in the pilot analysis, can be used to help budget negotiations over the priority to be assigned to different programmes. It can be particularly useful in weeding out programmes that are likely to be ineffective. The benefit-cost ratios determined through this extended cost-benefit analysis which is being used to determine good investments with respect to mitigating the effects of climate change, are also being interpreted as weightings to determine the climate relevance of budget lines in a more evidenced way. Caution must be applied that these highly technical exercises do not become an end in themselves and lose sight of the objective of the CFF work which is to prepare country systems to manage larger increases in climate flows, for which estimating percentages of domestic resources relevant to climate change is not essential, notwithstanding the possible policy advocacy value of this. The draft CPEIR methodological note (2014) makes the points that "the identification of expenditure is very difficult in practice, and this is likely to remain an on-going challenge". The space given to this kind of analysis should be determined by country governments in a country-led process.

72. The programme budget for country-level work is limited so the programme approach to coordinate closely with other programmes in this area, for example, by mainstreaming the approach into other programmes, is highly strategic and has led to a good leveraging ratio (1:4). For example, the IBCFR in Bangladesh is a support programme to implement the CFF which includes the establishment of a cell in the Ministry of Finance, revisions in budget coding and macro-economic modelling. In Thailand, the government has allocated \$1 million to continuing the work of the Programme, indicating ownership of the Programme at the country level.

73. There are also areas where policy work has begun with SIDA funds, which would benefit from further expansion. For example, cost projections in Bangladesh have been based on expenditure trends over recent years, which is likely to be an underestimate given the global emissions trajectory (upwards) with no significant global abatement expected, and bio-physical tipping points where climate change effects will become magnified. In Cambodia the 5-year climate change action plans were prepared. A cost-benefit analysis (CBA) with and without climate change to 2050 was carried out on a short-list of policy measures chosen on the basis of available information. As per the approach taken in Thailand, the key assumption made for the climate change impact is that the level of rainfall variability will double, following IPCC SREX projections, so that an extreme event (whether associated with high rainfall, low rainfall or unseasonal rainfall) will become twice as likely. As a result, any damage

arising from current rainfall events (notably floods) will become twice as damaging by 2050. The analysis was useful in demonstrating an innovative methodology for policy appraisal of climate-relevant investments based on changes to benefits.

74. A more conventional way to approach the CFF would be to produce short, medium and longer-term action plans as the basis for the climate finance plans. Following a more conventional planning process and generating the bigger numbers as the anthropogenic climate signal becomes stronger may help with budget integration. Normally, the planning process is expected to be the starting point to engage in the budget process, linking national and sector plans to public expenditures, then public expenditure tracking and monitoring. At the same time in order for expenditure tracking to be meaningful it needs to be linked to the public sector accountability cycle. At this point there is progress in some of the countries in starting to track the climate change expenditures but there is a time lag and institutional disconnect with the planning, monitoring, evaluation, impact and accountability cycles of each government. Time will tell as to whether country governments prefer to follow a more conventional planning-budgeting approach to developing climate action plans.

75. This experience also points to the potential value of the APRC linking more closely with other thematic teams in UNDP, for example, the team working on climate change adaptation and disaster risk reduction. The SPARC project in Indonesia, which is funded by the Special Climate Change Fund and managed by the main climate change team in UNDP, is a good example of how the collaboration between the climate finance team can work together with other units in UNDP's Bureau for Policy and Programme Support.

76. The Programme has been most successful in influencing others both at the international level and at the country level in transferring the CPEIR concept to other countries. The World Bank sourcebook was produced in June/July 2014 and drew on UNDP work. The Asian Development Bank has picked up on the UNDP work and intends to adapt it to disaster risk management starting in 2015 in Thailand and Laos, with UNDP as the implementing partner. USAID have picked up on the concept of mainstreaming climate change into national systems and supported it through the ASIA-Adapt programme. The Overseas Development Institute with UKAID support the development of three Climate Financial Analysis Reports based on the CPEIR methodology in Ethiopia, Tanzania and Uganda. The World Bank conducted two CPEIRs in Morocco and the Philippines and a joint UNDP World Bank CPEIR was conducted in Vietnam and the Programme mobilized additional financing for a CPEIR to be undertaken in China in 2014. The purpose of the work will be to advocate on a better distribution of funds towards disaster risk reduction work balanced with ex post recovery work.

77. This all serves to underscore the strength and relevance of the CPEIR concept, which has been replicated in 20 countries in Asia, Africa and the Pacific. Table 2 sets

out the main regional and international events attended by Programme staff to raise awareness for the 'country systems' approach. The Programme has provided briefs to the UNFCCC Standing committee on climate change finance and the inter-governmental committee on experts on sustainable development finance from the Global Partnership for Effective Development Cooperation. For example, the results of the mitigation fiscal framework and the Indonesia 'Low Emission budget marking and Scoring System' (LESS) study were circulated during Global Environment Facility (GEF) meetings in Bali in February 2015 by the Ministry of Finance in Indonesia. The Programme has also helped to organise high level ministerial events on CCF at the Mexico high level meeting on effective development cooperation in April 2014. The development of global and regional repository of climate-related public expenditure is expected to be useful to the UNFCCC process to provide domestic expenditure data to complement the many databases with information about international funding.

78. Stakeholders across countries and the programme also thought that useful South-South learning has been achieved. A Regional conference was organized in South Korea in 2013 where the Programme had the lead role in organizing a Global Forum on the use of country systems, and another regional knowledge sharing event was organized in November 2014, where there was good attendance, for example, the Indonesian delegation at the November 2014 workshop was 10-strong. The Programme was reported to have provided value-added in creating dialogue processes which are helpful to country mainstreaming efforts. The Programme is also brokering knowledge between countries, primarily through project staff and consultants. For example, innovations around budget scoring and marking are being shared between Cambodia, Indonesia and Thailand. It was reported that Thailand adopted the methodology used in Cambodia for assessing the climate relevance of programmes and investments.

79. As noted, the regional component of the Programme had no well-developed strategy in the programme document. A regional capacity assessment was carried out at the start of the Programme which concluded that much of the strength for climate finance lies outside the Asia-Pacific region but that there is potential to involve existing regional networks and institutions which currently have varying levels of competencies relevant to the climate finance agenda. There is agreement among key informants that regional organisations do not currently have the right scope, mandate and capacity to provide support in this area of work. Regarding advocacy, the plan contained in the Programme was to work through ASEAN, which Thailand is due to chair in 2015 (postponed from 2014).

80. The idea behind this regional programme is that a regional platform could be a spring board for countries to bring experience and perspectives to the international stage as well as being regional hubs to share knowledge across countries. The UNDP APRC has to some extent performed this regional and global knowledge sharing function. Transfer of policy ideas has been facilitated to date, mostly through

international consultants working across countries (Indonesia to Cambodia, Cambodia to Thailand, and so forth). There is a risk that policy transfer in this way can introduce bias in the programme strategy and reduce the legitimacy of the approach. There was some suggestion amongst key informants that this may indeed have happened, which could have the undesired consequence of undermining ownership of the Programme approach at the country level. For example, interviews in one country revealed some dissatisfaction in one government department that the methodologies for project appraisal were being supply-driven. This could be symptomatic of a process that was not provided with enough consultation, or the right ways of carrying out the consultations. Working through national institutions might have overcome these institutional barriers, even if progress is slower. A balance needs to be struck between technical support and promoting a demand-led process. Lessons from the gender-responsive budgeting experiences show that working through long-term donor-financed consultants risks that the mainstreaming exercise becomes an optional add-on rather than core work, risking ownership of the process.

81. Most country level informants shared a view that there is no appetite for a capacitating a regional institution, since the interest lies in building up capacities nationally. However, one stakeholder view was that having a regional institutional broker knowledge was important for developing support among senior policy makers. Given the lack of incentives for national stakeholders to promote regionality on this issue, this component of the work will need to continue to be driven by external partners, at least in the shorter term. For sustainability and effectiveness, leadership and capacities need to be developed within Asian regional organizations, and supporting the capacity development of Asian regional organizations remains therefore a legitimate aim.

82. Notwithstanding the arguments for developing Asian regional institutional capacity, the technical support provided by the UNDP APRC has been well received by a range of stakeholders, for example, in Cambodia the Programme has supported a full year of capacity development to develop the CFF, refining the methodology including the relevance weightings and in Bangladesh the SIDA grant was instrumental in developing the Bangladesh CFF and sub-national CFF. MoAC made a presentation on the extended cost benefit exercise at the Climate Responsive Budgeting workshop where it was well received. The technical support provided by the Programme was described as a community of practice by one informant. Key informants also noted the role of UNDP in enabling this work in the way that a bilateral agency was less placed to do, given sensitivities to local context, commitment and intent. Other elements of progress noted in the second progress report was the establishment of partnerships with regional initiatives including the USAID-funded ADAPT Asia (economics), and NAPs, though these are not Asian regional institutions – rather multi-country programmes led by multi-laterals.

Table 2 Leveraging key International and regional climate finance events

Date	Event's name	Venue
2-5 December 2013	Global Forum on Use of Country Systems to Manage Climate Change Finance	Incheon, Korea
17-20 Feb 2014	National Adaptation Plan (NAP) workshop: Presenting CPEIRs	Pattaya, Thailand
3-7 March 2014	UNFCCC : Contributed to biannual assessment of Long Term Finance meeting	Bonn, Germany
27 May – 1 June 2014	PEI Workshop: Knowledge sharing on climate finance	Nepal
15 April 2014	High Level Meeting for the Global Partnership on Effective Development Cooperation: UNDP co-organised the Partnership for Climate Change Finance and Development Focus Session	Mexico
26-31 April 2014	The 8 th Community-Based Adaptation meeting: Plenary Session on Using Country systems to Manage Climate Change Finance	Nepal
27 May 2014	GEF Assembly – UNDP led the organization of this Partnership on Climate Change Finance and Development side event	Cancun
20 June 2014	UNFCCC's Second Forum of the Standing Committee on Finance "Mobilizing Adaptation Finance" – UNDP HQ presentation on CPEIR	Jamaica
4 September	Small Island Developing State Conference Side Event including CPEIRs	Samoa
14-16 September 2014	ADAPT ASIA and UNDP Using Country Systems to Access and Manage Climate Change Finance – CPEIR presentation and resource person for climate budget tracking session	Siem Reap, Cambodia
17-18 September 2014	ADAPT ASIA and UNDP - Economics of Adaptation	Siem Ream, Cambodia
1-3 October 2014	Climate Change Adaptation Forum (role tbc)	Kuala Lumpur, Malaysia
5-7 November 2014	Asia-Pacific Regional Climate Responsive Budgeting workshop (Lead organiser with International Budget Partnership, DFID and Sweden)	Bangkok, Thailand
1-12 December 2014	UNFCCC COP20 (side event tbc)	Peru

Source: 2nd Progress Report, November 2014

5.3.2. Poverty and gender targeting

83. The methodology for the poverty, gender and regional aspects of the programme are the least developed aspects of the Programme and, though there is work being carried out in Bangladesh, Cambodia and Indonesia that is leading to the development of methodologies for better targeting of climate finance (see below for details) overall, this target may also be beyond reach within the Programme timeframe without a targeted strategy to get it on track. Previous progress reporting has stated that for all four Programme countries *'there has been limited demand articulated from MoF and MoE to take forward work on poverty and gender analysis within climate finance reforms'*. Experience from gender-responsive budgeting shows that a clear

commitment from government is needed to make progress on targeted budgeting methods. Without government interest to look into benefits incidence, the supply-side push to progress this target is likely to have a fairly limited impact at the country level.

84. Nevertheless, there is a commitment in the logframe to analyzing benefits incidence in the areas of poverty and gender, and it is an important question for anyone working in the development assistance area. Namely, how do we know that any of the climate change financing is working to deliver equitable outcomes. These distributional questions span a much wider area than the CPEIR tool, they are essentially about prioritisation of climate-relevant expenditures. In this context, one needs to be clear about what is meant by gender mainstreaming. In the context of developing countries it is usually about improving development outcomes for women given the high proportion of women that make up the poor and vulnerable (see Box 2 for details). Champions for this kind of analysis are needed in-country. The policy value of benefits analysis should be clearly thought through. For example, if growth and inequality are more important in a national agenda than poverty and gender considerations, then the benefits analysis should be structured in that direction and led by country stakeholders.

Box 2 The links between gender and poverty

- According to the best available data approximately 70% of those who live on less than a dollar a day are women
- Women work two-thirds of the world's working hours yet receive only 10% of the world income
- Women own only 1% of the world's property
- Women predominate in world food production (50-80%), but own less than 10% of land.
- 75% of the world's 876 million illiterate adults are women
- During the 1991 cyclone disasters in Bangladesh, 90% of the 14,000 fatalities were women (Ikeda, 1995)
- Women, boys and girls are more than 14 times more likely than men to die during a disasters (Peterson, 2007)

Reference: UNDP, 2010, Gender, Climate Change and Community-based Adaptation

85. Some strategic thinking about how to deliver the benefit incidence target started in the start-up phase of the Programme, as evidenced by the poverty strategy which was drafted in November 2013, and which contained a useful categorization of the issues in terms of targeting of flows, analysis of impacts and analysis of channels of accountability for poor people exists within the Programme already. Approval was given by SIDA in January 2014 to procure the technical services of a gender economist and a poverty specialist to work with the Programme over the best part of 2014, which would be met through a reduction in the grant allocation to the poverty pilots. The methodological note prepared in October 2014 tried to enhance the CPEIR tool to incorporate poverty and gender impacts (this was somewhat overly complicated and unclear approach, though it is recognized that this is a new area of work with limited experience). A guidance note for integrating poverty into CC programming was

produced in December 2014 delivering advice on applying a poverty and vulnerability 'lens' to climate change investments. A practical complementary initiative will be the support to various 'pilots' to enhance their poverty or climate focus. To date, it is not clear that UNDP is presenting a common storyline to SIDA financed countries in the area of mainstreaming the poor and women into climate change expenditures, given the different ways that this result area is being approached.

86. At the country level, there have been approaches that are looking in different ways at this issue, as follows:

- In Bangladesh, an initial review of the extent to which social protection programmes in Bangladesh are helping vulnerable communities manage climate change. The consultancy has as one of its three objectives to assess how the programmes are being channelled and managed. This approach could deliver the Programme target on benefit incidence, but capacity development is likely to be limited. There would have been scope here to have widened the consultancy and brought in community-based organisations (CSOs) with a social auditing function, which would have helped build capacities in this area of expenditure accountability. The ToR for this consultancy could also have made a clearer reference to linking the vulnerability and benefits assessment with climate change projections for the country (this is a weakness running throughout the programme).
- In Cambodia, the Programme plans to partner with the International Institute for Environment and Development to develop a national climate vulnerability index. This is aiming to identify causal relationships between vulnerabilities to climate change and impacts through statistical methods and determining the best indicators to predict impacts. The next stage would be to contextualize by landscape type, hazard and geographical zones. Whilst a useful contribution to the development of performance metrics, this approach is not likely to deliver the result committed to in the logframe on tracking and analyzing the benefits incidence of climate expenditure.
- In Indonesia, through the Strategic Planning and Action to strengthen climate resilience of Rural Communities (SPARC) in Nusa Tenggara Timor Province (NTT), expenditures at the province and district levels will be assessed on their relevance for climate change (both adaptation and mitigation) as well as their relevance to poverty reduction and women's empowerment, recognizing that general development expenditures can also reduce people's vulnerability to climate change. A "co-benefit gauge" will be developed to enable inter-temporal tracking of both climate and non-climate expenditures. Results from the vulnerability assessment undertaken in the SPARC project will complement the CPEIR results intended to enhance understanding of how much existing public

expenditures are “climate change related”. This approach could deliver a useful result that is relevant to the Programme RF within the timeframe of the project and offers a promising approach to building capacities.

87. For a programme of this scope to effectively target poverty and gender mainstreaming into climate change finance requires a number of actions across a chain of results starting with understanding how climate change is likely to impact on the vulnerable (i.e. the transmission pathways, noting that poverty and vulnerability are not always the same thing); which instruments are used and investments made (e.g. social safety nets; subsidies, infrastructure provision, credit); the efficiency of money reaching the poor (i.e. administrative, technical and political barriers preventing money from flowing through); and the effectiveness of the expenditure in reducing vulnerability. In essence one first needs to know that climate finance is flowing to the vulnerable and then that the money is reducing vulnerabilities to climate change (or understanding the barriers that are preventing it from doing so). The picture of distributional flows makes sense if this is compared with performance data, this being essentially an efficiency question. The question of impact is essentially an effectiveness question. Are climate change-relevant programme reducing vulnerability to climate change and how could they be improved. High correlations between poverty and vulnerability and poverty and development outcomes for women may render the distributional tracking exercise less meaningful, but the policy value of measuring social impact would still be relevant. Finally, given the limited Programme funds for country-level work, the approach will benefit from an agreed, unified and informed strategy that makes the best use of limited financial resources. Paragraph 103 has more on this (efficiency section). The recommendations in Section 7 provide suggestions for achieving this target.

5.3.3 Partnerships

88. The main partnerships have been with governments in the four countries, donor partners, particularly GIZ in Bangladesh and the Cambodia Climate Change Alliance (CCCA), and UNITAR for the regional training programme, which will engage two national institutions for training in Thailand and Cambodia. In Thailand, three country informants highlighted the range of experts invited to consultation events, such as government officials, academics, researchers, faculty members, private sector, non-government organizations and civil society sector, which helped to strengthen country networks. In Cambodia members of a national network of economists, the Cambodian Economics Association, were involved in the CCFF (as consultants). Section 5.4.3 sets out the level of leveraged financing from this Programme’s efforts, reflecting the range of partnerships for country implementation of CPEIRs.

89. It is also worth acknowledging the political economy dimensions for UNDP at the country level to develop new collaborations with government (Ministries of Finance)

that could undermine existing relationships with government (for example with Ministries of Environment), which was reported by one informant as a risky strategy. Notwithstanding the central role of ministries of finance and planning in this finance agenda, efforts must be spent working with Ministries of Environment helping to define their niche role in this area, since they are the ultimate champions for climate change and alienating them at the cost of building up relationships with Ministries of Finance could be counterproductive given the inevitable fluxes in political priorities. Collaborations with adaptation planning processes, such as the NAPs could prove politically useful as a complementary approach that legitimately carves out a role for Ministries of Environment.

90. In Indonesia UNEP has a joint project with UNDP in supporting budget tagging of carbon emission, providing a good example of inter-agency collaboration. A further example of cooperation between UNEP and UNDP is now taking place in Bangladesh where a joint UNEP UNDP is supporting the Inclusive Budgeting and Financing for Climate Resilience project (IBFCR) which is implemented jointly within the UNEP-UNDP Poverty Environment Initiative.

5.3.4 Capacity development

91. Some capacity development has taken place through this Programme through the development of climate change fiscal frameworks, cost benefit analyses, budget tracking, strengthened cross-ministerial coordination mechanisms, and in the case of Indonesia, new legislation. Through the Programme, an increased awareness has been built in recipient government on the significance of climate change finance for national budgeting systems, which has led to the institutionalization of climate change policy into budget framework. In Thailand the 2nd progress report reports the following as having been achieved: *'[development of] a better understanding within the major departments of the Ministry [Agriculture] how climate change would impact their projects' activities and outputs and how the existing projects contain adaptation/mitigation benefits which they never thought about before. The benefit-cost analysis also helped strengthen their way of designing and setting up KPIs for monitoring future program in a more efficient way'*. Table 3 summarises the capacity development activities in each country. The impact of these exercises on capacities is difficult to assess after such a short amount of time, but some results are starting to show such as a better reflection of climate change in some sectoral plans and budgets in Cambodia.

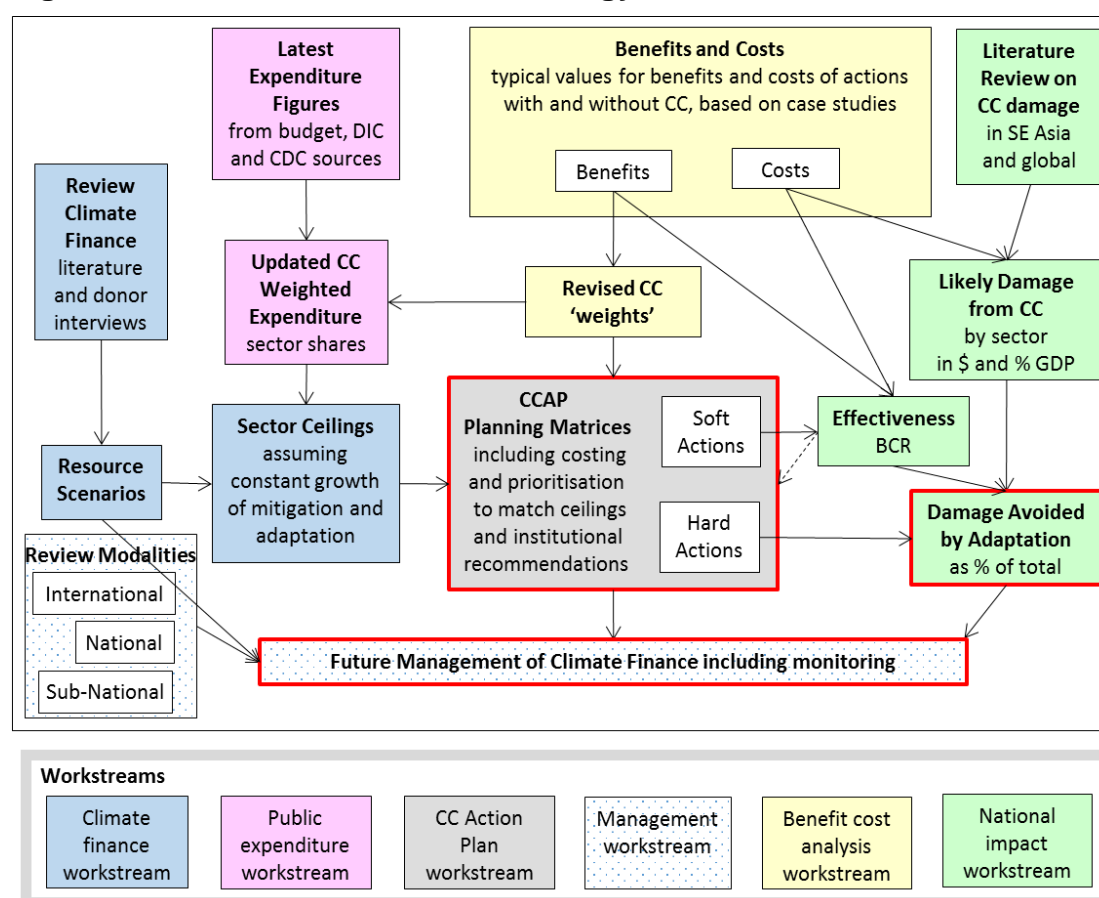
92. As noted earlier, the Programme's efforts are only the start of what needs to be a longer-term support programme. For example, in Thailand, one informant noted the need for more support in the areas of engaging the private sector, in-depth analysis on economics of climate change, development of policy and legislation to support

climate change mainstreaming, development of training curriculum on climate finance, procedures and standards/criteria for project screening.

93. The limiting factors to the capacity development potential of this programme are a short timeframe for operation to date (the CFFs were only published this year for example); low country-budget and staffing, short programme timeframe and a lack of an effective capacity development strategy. The Cambodia methodological notes (2014) acknowledges that the CFF in Cambodia was a technical exercise and that capacity development had been weak. Furthermore the process turned out to be quite complex, comprising of five different workstreams which each interacted with each other at various points, See Figure 2 for details. Developing an exercise this demand in terms of effort and time could risk provoking resistance from officials who regard themselves as overburdened. There was also a suggestion in Thailand about whether the capacity developed thus far could be applied in future planning exercises without further support. The programme strategy to leverage other financing in the four countries will provide additional financing and an extended timeline. Whether this will be build capacity will depend on the quality of the capacity development strategy for doing so⁵.

⁵ Capacity development is a long-term process and it can be complex given organisational and political dynamics. Empirical evidence from UNDP's work shows that there are four commonly encountered capacity inputs into effective institutions: institutional arrangements; leadership; knowledge; and accountability. The capacity inputs contribute to effective institutions in three ways: performance (effectiveness and efficiency), stability (performance standards and risk mitigation) and adaptability (innovation and continuous improvement).

Figure 2 Overview of CCFF Methodology in Cambodia



Source: Cambodia Climate Change Financing Framework, September 2014

94. Moving forwards there are some positive things to note. The UNITAR training strategy may provide some welcome capacity development through national institutions. UNITAR were first requested to carry out a training needs assessment in Thailand and Cambodia (published in March 2014). This was done through a competency-based approach, which provided a framework to measure capacity development. The training will be a three stage blended learning module on climate change budgeting. The module will include (i) an e-tutorial; (ii) materials for three day face to face training; (iii) applied coaching and support during budget preparation. Training is to start next year under a call-down contract with two national training institutions, Fiscal Policy and Research Institute (FPRI, Thailand) and Economics and Finance Institute (EFI, Cambodia). The partnership in Thailand will focus initially on supporting the Ministry of Agriculture and Cooperatives in the preparation of a climate resilient budget submission for 2016. The work with UNITAR is the beginnings of an approach to build capacities among Asian institutions. UNITAR is also seen as a good regional training option offering provides important economies of scale which make it affordable to access the training, only needing tailoring to national context rather than wholesale development.

95. The strategy to hire technical specialists at the country level to augment capacities to take the CFF process forward is a step in the right direction. In Thailand SIDA financing has been used to recruit an international senior advisor on climate change planning and budgeting as well as a national agricultural planning and budgeting specialist to carry on the capacity building work within Thailand's governmental agencies after the completion of the international consultant. In Bangladesh SIDA resources will be used to finance one senior Local Governance and Climate Change Technical Advisor, who will be working closely with the Planning and Monitoring Cell of the Local Government Division at the Ministry of Local Government and Rural Cooperatives and one senior climate finance specialist who will be based in the UNDP Bangladesh Country Office and provide support in the development of detailed costing and phasing for climate change adaptation programs and projects to be implemented in line with the Bangladesh Climate Change Strategic and Adaptation Program.

96. Within the Programme approach, there is the potential for significant learning by doing, for example all four of the countries are now undertaking or planning repeat assessments of the CPEIRs in all countries and developing new learning methodologies for local government (Bangladesh and Indonesia) and sector led (Thailand) CPEIRs.

Table 3 Tracking activity level implementation status of Programme interventions

Activity	Implementation status	Comments/plans moving forwards
Output 1 <i>Fiscal policies are formulated and Institutions are strengthened to facilitate the delivery of climate change finance to the poor in countries of Asia and the Pacific</i>		
1. Implement and strengthen the CPEIR methodology (at sector/local/national levels).	<p>CPEIR recommendations not yet implemented; the timeframe being too short. A methodology for evidence-based climate change weightings has been developed and applied in Thailand (agriculture) and Cambodia (10 sectors).</p> <ul style="list-style-type: none"> • Cambodia CFF completed. This involved sector-based expenditure reviews, costing and forward financing plans (5 years) in 10 ministries. CF tracking methodology introduced into the CFF. CFF was officially endorsed in November 2014 by the National Climate Change Committee, led by MOE with representatives of 20 other ministries. • Thailand: piloted an adjusted policy appraisal method to account for climate change in the agriculture sector. • Bangladesh: Completed a CFF which was endorsed in June 2014. • Indonesia: Mitigation Fiscal Framework completed. Sub-national CPEIR launched in NTT June 2014 and due for completion in 2014. CPEIR methodology strengthened to include poverty and gender benefit estimates. This will be used as further feedback to the national level, it will feed into the tagging pilots and influence the national roll-out of the LESS system, as well as input for developing fiscal policy to support implementation of GHG mitigation at the Provincial level. 	<p>Cambodia: Discussions are underway with Ministries of Environment and Finance and pilot line ministries on the workplan to introduce the tracking tool in planning/budgeting practices.</p> <p>Thailand: CPEIR recommendations have been integrated within the CC strategic Masterplan under the category of 'Immediate Actions to be completed in 2015', recommendations 2, 3, 4 and 5. Recommendation #3 also led to the discussion on the feasibility of setting up a sub-committee on climate finance under the national climate change committee, in addition to the existing two sub-committees: technical and negotiation, to oversee and coordinate the financial flows (both domestic and international), budget allocation, and expenditure tracking related to climate change actions. These recommendations in the CC Masterplan are being implemented by climate finance project in Thailand.</p> <p>Indonesia The LESS budget tagging system for GHG mitigation activities and launched in August 2014 in 4 Provinces, though not financed by SIDA, did come out of the mitigation fiscal framework which was supported by SIDA, and in-kind support from the Programme PFM specialist to the LESS development. LESS tagging will be applied to the 2015 budget.</p> <p>A second sub-national CPEIR is expected to start in Bangka Belitung Province under a PGSP interim programme in December 2014.</p>

<p>2. Technical assistance and workshops to develop climate finance strategies and policies at national and local levels.</p>	<p>Bangladesh</p> <ul style="list-style-type: none"> • Draft final of CFF introduced to national stakeholders and development partners in Bangladesh in April 2014. Participants were from a range of line ministries and including planning and finance, statistics and A-G office. • Mini-workshop of climate finance readiness to DNA for GCF (MoF), October 2014. • CF roundtable to generate discussion on CF readiness and to disseminate the CFF, October 2014. MoF and MoEF present as well as UNDP senior management. <p>Cambodia</p> <ul style="list-style-type: none"> • A workshop to fine-tune un-prioritised Climate change Action Plans (CCAPs) for 9 ministries was held on 26 September 2013. • Support to the Consultation workshop on 28 Jan 2014 and agreeing next steps for the CCFF – The consultation workshop was well attended by a range of stakeholders from sector ministries, Ministry of Finance, donors and civil society. • Theory of change workshops (July 2014) to support stakeholders in designing a social protection programme that factors in CC. <p>Thailand</p> <p>4 training workshops to develop the cost benefit analysis of adaptation policy options in the irrigation sector and for the agricultural flagship programme.</p> <p>Indonesia</p> <p>Several Provincial level consultation meetings have been held which are facilitating cross-sectoral, inter-institutional dialogues to help identify and implement adaptation actions to meet the overall development objectives of sectoral development plans.</p>	<p>The CFFs produced are an initial diagnosis of the regulatory and fiscal reforms needed.</p> <p>Cambodia</p> <p>Cambodia CFF was undertaken mainly by Cambodian experts. The working groups in the line ministries were consulted on the analysis but it was not possible to build up much capacity. The primarily role of the CFF was advocacy and demonstration of a possible methodology.</p>
<p>3. Training on integrating and tracking climate change finance within national systems of PFM and M&E (e.g through use of budget code development, results indicators, expenditure classification etc.).</p>	<p>Indonesia</p> <p>2 training sessions held in September 2014 on budget tagging for mitigation, adaptation and biodiversity at the provincial level. 7 ministries and those responsible for planning and budget development took part. Online application system for budget tagging was introduced and exercised during the training. The training was designed to anticipate the final budget consultation for line ministries by 2015 fiscal year budget. To have higher buy-in, the Echelon 1 meeting of the 7 line ministries is planned to be hosted by the Minister of Finance in November 2014.</p>	<p>Cambodia</p> <p>Planned for 2014-2015 with UNITAR through Economics and Finance Institute (EFI). An initial set of follow-up actions is under discussions with Ministry of Economy and Finance and the Supreme National Economic Council, including annual climate expenditure reviews, potential budget code and cost-benefit analysis of climate-related expenditure to inform the budget process.</p> <p>Indonesia</p> <p>SIDA supported the development of the Mitigation Fiscal Framework. On the back of this other support has led to the Ministerial Decree (PMK 126/PMK.02/2014) on the budget tagging for climate</p>

		<p>mitigation actions being issued in July 2014. This regulation will be used for the development of the budget tagging for adaptation.</p> <p>Thailand UNITAR to partner with Fiscal Policy Research Institute (FPRI) and/or other national institute as per the advice of the UNDP CO in the development and delivery of training on climate policy and public finance for public sector officials. The partnership will focus initially on supporting the Ministry of Agriculture and Cooperatives in the preparation of a climate resilient budget submission for 2016. Preparation of a three stage blended learning module on climate change budgeting with a focus on the agriculture sector. The module will include (i) an e-tutorial; (ii) materials for 3 day face to face training; (iii) applied coaching and support during budget preparation.</p>
4. Capacity development to strengthen cross government mechanisms with oversight of the management of climate finance	<p>The Programme has led to the establishment of the following cross-government groups:</p> <ul style="list-style-type: none"> • Thailand Climate Fiscal Framework Working Committee. Thailand inter-agency taskforce on CCA in Ag has been formed bringing together reps from Bureau of Budget, , ONEP, National Economics and Social Development Board and MOAC. • Cambodia CC task team finance sub-group. National CC committee (NCCC), CC technical team and Sec set up with a mandate to coordinate the national CC response. • Bangladesh CFF committee • Indonesia – no inter-ministerial mechanisms exists <p>Indonesia Joint launch of 3 MoF initiatives, focusing on oversight mechanisms for climate finance and green economy.</p>	<p>Cambodia Government legislation is being drafted for a sustainable development council to replace the NCCC. This is expected to be chaired by the PM.</p> <p>A skills development programme on CF is currently under discussion with UNITAR, including mentoring and training of trainers for local training institutions. 150 government officials to be included in the training plan.</p> <p>Indonesia A national council for CC sits under the President's office as of end of October 2014. Before this it was under ministry of Environment. It has little convening power – although reports are for an increasing opportunity to make more of this Council.</p> <p>Efforts to date for the SIDA grant have been to prepare for</p>

		implementation of the SFD (Sustainable Financing for Development Project), which was signed off in September 2014.
5. Training for non-executive institutions and civil society / media with a potential role for promoting accountability for the effective management of climate change expenditure	n/a	Cambodia A training curriculum on the basics of climate change and public finance with the help of UNITAR. Planned for 2014-2015
Output 2: Government budgets delivering more climate change programmes that reach the poor and vulnerable		
1. Provide governance/PFM assistance to climate change programming design teams (e.g. GEF, Climate Funds Management, other climate change donor programmes).	<p>Cambodia Advisory support provided and CCCA phase 2 was launched in July 2014, including a strong component on CC finance.</p> <p>Indonesia Mainstreaming the CF approach into SPARC in order to get a stronger outcome linking CC vulnerability assessment to expenditure flows.</p> <p>Bangladesh Mainstreaming of the CF approach into the IBFCR. GIZ delivering a more tailored 'climate finance readiness' programme of support.</p>	
2. Supporting Busan monitoring and aid information management systems to assess climate finance (e.g. Rio Markers) and links to PFM.	<p>Cambodia and Bangladesh Expenditure analysis tools have been introduced through the CFF.</p> <p>Indonesia Budget tagging pilots, though not supported by SIDA, were designed on the back of the mitigation fiscal framework which was supported by SIDA.</p>	<p>Cambodia: Tracking of cc finance in the ODA database deferred to 2015. National budget to be tracked initially through annual reviews starting in 2015 and then through newly updated Financial Management Information Systems, as part of PFM reforms.</p> <p>Indonesia The LESS budget tagging system for GHG mitigation activities and launched in August 2014 in 4 Provinces, though not financed by SIDA, did come out of the mitigation fiscal framework which was supported by SIDA, as well as in-kind support from the Programme PFM specialist to the LESS development. LESS tagging will be applied to the 2015 budget.</p>
3. Review benefit incidence of climate programmes and budgets in selected countries (e.g. gender dimensions of climate related expenditures).	Indonesia: Through the SPARC programme, existing expenditures at the province and district levels will be assessed not only based on their relevance for climate change (both adaptation and mitigation), but also on the level of their co-benefits for baseline development. Integration of a "co-benefit gauge" will enable inter-temporal tracking of both climate and non-climate expenditures. This is expected to provide a more	Cambodia As part of the CFF process, the country is developing an M&E framework which will incorporate climate, poverty and gender in 2015. This will be in partnership with IIED, implementing the DFID-

	comprehensive picture to provincial/district planners for more informed/climate-sensitive budgeting. The final process of overlaying hazard information and vulnerability information is underway by CCROM.	supported TAMD indicators approach.
4. Identify poverty programmes that can demonstrate approaches to integrating climate vulnerability and leverage additional climate finance.	<p>A review of UNDP programmes began in July 2014 led by a poverty expert. The following programmes have been identified</p> <ul style="list-style-type: none"> Indonesia: a sub-national CPEIR to be carried out in NTT Province through SPARC. Cambodia: scoping out links with UNDP social protection programme. Bangladesh: scoping out distributional impacts of a social protection programme. Cambodia climate change alliance trust fund: to pilot mechanisms for monitoring impacts on climate-vulnerable people and the WFP Cash for Work programme. 	Indonesia: A sub-national CPEIR planned for Bangka Belitung Province under a follow-on programme to the Provincial Government Strengthening Programme PGSP which recently closed.
5. Demonstrate approaches to targeting the climate vulnerable through existing poverty programmes in ways that can leverage future climate finance.	<p>Cambodia</p> <ul style="list-style-type: none"> In July 2014: developed a ToC and strategic paper for mainstreaming CC in an adaptive social protection programme. <p>Bangladesh: scoping out distributional impacts of a social protection programme.</p> <p>Indonesia: a sub-national CPEIR with distributional analysis to be carried out in NTT Province through SPARC.</p>	<p>Cambodia</p> <p>UNDP CO to make the final choice on poverty programme to focus on (could be WFP cash for work or Social protection with UNDP APRC and UNCDF). SIDA grant would a limited contribution for a specific component or supporting analytical work to refine programme design.</p>
Output 3: Capacities of regional Institutions strengthened to provide products, services and skills that better meet the climate finance needs of Asia and the Pacific		
1. Work with regional institutions (e.g. ASEAN) to ensure country level analysis of the management of climate finance and to inform key climate finance negotiations within the UNFCCC and Global Partnership for Effective Development Cooperation.	<p>The programme has provided briefs to the 6 monthly UNFCCC Standing committee on CC Finance and the inter-governmental committee on experts on SD finance from the Global Partnership for Effective Development Cooperation. For example, the results of the Indonesian 'Low Emission Budget Marking and Scoring System (LESS) was circulated during the GCF board meeting in Bali in February 2015 by MoF and will also be presented at the 2014 CoP in Lima. The Programme has also helped to organise high level ministerial events on CCF at the Mexico high level meeting on effective development cooperation in April 2014.</p> <p>Established partnerships with regional initiatives including the USAID-funded ADAPT Asia (economics), and NAPs.</p> <p>UNITAR carried out a training needs assessment in Thailand and Cambodia, published in March 2014. It is currently putting together a sample e-tutorial on climate responsive budgeting. Training to start next year under a call-down contract with two national training institutions, FPRI and/or TDRI (Thailand) and EFI (Cambodia).</p>	Not working through regional institutions, rather strengthening policy and network connections through the APRC.

<p>2. Support the transfer of knowledge and expertise across countries of the region through: (i) the development of four guidance / methodological notes on climate finance management; and (ii) supporting practitioners to provide South-South technical assistance in response to country demand.</p>	<p>2 regional knowledge sharing meetings on the use of country systems for CF held in 2013 and 2014 (Incheon, South Korea and Bangkok, Thailand)</p> <p>The following knowledge products have been generated through SIDA support:</p> <ul style="list-style-type: none"> • CPEIR Lessons learnt report • CPEIR revised methodological note • A methodological note to support gender and poverty analysis. • A guidance document for integrating poverty into CC programming • Promoting country systems for the effective access, management and use of public climate change finance <p>Cambodia A methodological note outlining the benefit approach employed in Cambodia.</p>	
<p>3. Secretariat support to climate change finance donor coordination group at regional level</p>		
<p>4. Consolidate Busan/ODA/Climate finance reports to provide annual regional overviews</p>	<ul style="list-style-type: none"> • Switzerland has, with UNDP and Programme support, joined in partnerships with China and Nicaragua to develop CPEIRs and related programming. • Korea worked with the Partnership to organize the Global Forum workshop. • Mexico hosted a side event at the GEF Assembly in Mexico in May to promote country systems for managing climate finance. 	<p>The indicator attached to this is that by 2015 at least 3 donor signatories to BBB have undertaken specific measures to improve coordination with country governments in at least 3 countries, over the management of climate finance.</p> <p>Not SMART so it is difficult to know whether this target has been reached.</p>

Table 4 Progress Towards Results Matrix for Strengthening the Governance of Climate Change Finance to benefit the poor and vulnerable

Logframe Indicator Assessment Key

Green= Achieved	Yellow= Partially Achieved	Red= Not Achieved
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PROGRAMME GOAL: Improve the governance of international and domestic climate change finance, particularly for the poor and vulnerable in Asia & the Pacific

Programme Strategy	Indicator	2011 Baseline Level	2016 End-of-Programme Target	Achievement Rating
Objective: Equitable use of climate finance widely recognized as a national policy priority within Asia and the Pacific, with specific measures put in place to channel climate resources to the poor and vulnerable.	1. Number of countries that have established new policies to effectively govern climate finance	No explicit policies for managing climate finance. Existing budgets and ODA management policies do not include climate finance.	One country has established new policies to effectively govern climate finance in 2014.	The CFFs produced are an initial diagnosis of the regulatory and fiscal reforms needed. This first round of exercises do not therefore deliver Target 1 on developing and references climate change specific policy within medium and annual fiscal policy frameworks. This target was introduced in 2014. It is inconsistent with Output 1 target.
	2. Number of poor and vulnerable groups accessing increased climate finance in selected countries.	Local level climate vulnerability not clearly defined and thus affecting benefits for vulnerable people. Inadequate integration of gender and indigenous people's issues in climate finance initiatives.	n/a	
	3. Number of regional institutions that are prioritizing South-South collaboration on managing climate finance in Asia and the Pacific	Climate Finance support primarily driven by international/external agencies. Limited collaboration across countries. Some work across donors and institutions occurring at a low level.	One regional institution promoting South-South collaboration in managing CF in 2014	On-track if indeed Thailand do host the ASEAN meeting in 2015. The progress reports positively on this in relation to donor-funded programmes which are not regional institutions. This target was introduced in 2014.

Programme Strategy	Indicator	2011 Baseline Level	2016 End-of-Programme Target	Achievement Rating
Output 1: Fiscal policies are formulated and Institutions are strengthened to facilitate the delivery of climate change finance to the poor in countries of Asia and the Pacific (ENABLING PLANNING AND BUDGETING)	1a Presence of climate change policy within government medium and annual fiscal policy formulation (YES/NO).	<p>Thailand: CPEIR completed in 2012. Climate Change Strategic Master-plan finalized with reference climate finance. Climate not yet referenced in budget. Recommendations to establish climate related fiscal measures and specific focus on the private sector.</p> <p>Cambodia: CPEIR completed in 2012. Climate Change Strategy not complete or referenced in budget document. No climate fiscal policies. Climate financing framework under development.</p> <p><i>Baseline conditions for 2 additional countries to be further specified.</i></p>	At least 3 countries develop and reference climate change specific policy measures within medium and annual fiscal policy frameworks at national level by 2015.	<p>Target depends on wider enabling environment which which is especially challenging in Thailand and Cambodia. Timeframe too short to achieve this target in any of the countries <u>except perhaps</u> in Indonesia where there a wider enabling PFM context and in Cambodia where tracking of the ODA database can be achieved.</p> <p>Important to note that the current CFFs scope out options for fiscal reform, but this is not the same thing as the formulation of fiscal policies.</p>

Programme Strategy	Indicator	2011 Baseline Level	2016 End-of-Programme Target	Achievement Rating
	1b Number of countries with budgets, public financial management and M&E systems that enable assessment of quantity and quality of climate expenditures.	<p>Thailand: National budget is not tracked for level or quality of climate change expenditures.</p> <p>Cambodia: National budget is not tracked for level or quality of climate change expenditures.</p> <p><i>Baseline conditions for 2 additional countries to be further specified.</i></p>	National budgetary processes in at least 3 countries are tracking and analyzing the level and quality of climate expenditures, including benefit incidence, gender and equity by 2015.	<p>Target depends on wider enabling environment which which is especially challenging in Thailand and Cambodia. Timeframe too short to achieve this target in any of the countries, <u>except perhaps</u> in Indonesia where there a wider enabling PFM context.^t</p> <p>Contributions to target</p> <p>There is progress in strengthening of the CPEIR methodology. A methodology for evidence-based climate change weightings has been developed and applied in Thailand (agriculture) and Cambodia (10 sectors), which can be considered a strengthening of the CPEIR methodology.</p> <p>For three countries (not Thailand) budget markers introduced into the budget tracking methodology rather than coding for expenditure tracking.</p>
	1c Presence of Inter-ministerial mechanisms with accountability for the effective delivery of climate change finance to the poor.	<p>Cambodia and Thailand have established working committees to increase cross-government coordination and accountability for the delivery of climate finance, but these bodies are not yet looking at poverty incidence. Parliamentary Committees/Anti- corruption agencies and other non-executive institutions are not yet providing oversight of climate finance.</p> <p><i>Baseline conditions for 2 additional countries to be further specified.</i></p>	At least 3 countries have put in place a clearly defined inter-ministerial mechanism with a mandate to report on the delivery of climate finance to the poor, by 2015, which are currently under-resourced and meeting irregularly.	<p>Inter-ministerial mechanisms in place in 3 of the 4 countries. None are looking at the issue of distributional impacts of climate change.</p>

Programme Strategy	Indicator	2011 Baseline Level	2016 End-of-Programme Target	Achievement Rating
Output 2. Government budgets delivering more climate change programmes that reach the poor and vulnerable (ENALBING DELIVERY)	2a Percentage of national and international climate related finance reflected in national budgets	<p>Thailand: 2.7% of national budget is climate change related but only 20% of this is discernible from budget and programme documents. No specific financial reporting is carried out on this amount (See Figure 1.)</p> <p>Cambodia: Climate relevant public expenditure has grown from 14.9% in 2009 to 16.9% in 2011 (See Figure 1). 0% of this is discernible from government budget and programme documentation. CDC ODA database is beginning to record some off budget ODA as climate related but not systematic.</p> <p><i>Baseline conditions for 2 additional countries to be further specified.</i></p>	<p>By 2016, in Thailand 35% of the budget proposal from MoAC will have integrated climate analysis.</p> <p>By 2016, in Cambodia 10% of climate related expenditure reflected in budget / ODA tracking system</p>	<p>The targets were amended in the second year of implementation to something that is achievable and in line with implementation progress to date.</p>
	2b Number of countries that report on climate change related expenditures disaggregated in relation to poverty, and gender targets.	<p>Cambodia and Thailand: Gender and equity targets are not articulated in climate change planning and budgeting. Baselines establishing benefit incidence of climate expenditures not yet established.</p> <p><i>Baseline conditions for 2 additional countries to be further specified.</i></p>	<p>By 2015, at least 3 countries review and report on the benefit incidence (particularly poverty and gender targets) of their climate related expenditures at least once.</p>	<p>There are some useful leads, e.g poverty programme identified and the approach being followed in Indonesia. A strategy for this target should be developed asap. Ideas are provided in the recommendations section.</p>

Programme Strategy	Indicator	2011 Baseline Level	2016 End-of-Programme Target	Achievement Rating
	2c Number and type of poverty programmes that include specific measures to target, deliver, monitor and evaluate benefits to climate vulnerable communities.	<p>Cambodia and Thailand: poverty programmes do not explicitly include climate change objectives and activities and do not routinely include climate vulnerability assessments. Most climate change programmes are presented as discrete initiatives.</p> <p><i>Baseline conditions for 2 additional countries to be further specified.</i></p>	By 2015, at least two poverty programmes have established mechanisms to ensure that climate vulnerable populations' needs are addressed in planning, implementation and in the M&E framework.	Poverty programmes have been identified in Cambodia, Bangladesh and Indonesia. Progress on identifying poverty and gender value of climate finance still to begin. Linked to target above.
Output 3: Capacities of regional Institutions strengthened to provide products, services and skills that better meet the climate finance needs of Asia and the Pacific (SHARING)	3a Number of global climate finance instruments informed by the preferences of countries from the region.	Regional institutions are not yet communicating key messages from countries on climate financing needs, in order to help to better shape the emerging international architecture governing the delivery of climate finance	By 2015, at least 2 global climate finance processes (UNFCCC/HLF) are informed by the preferences of country representatives from Asia-Pacific, mediated through regional institutions.	<p>The programme has provided briefs to the 6 monthly UNFCCC Standing committee on CC Finance and the inter-governmental committee on experts on SD finance from the Global Partnership for Effective Development Cooperation, as well as forged partnerships with other global and regional processes and initiatives.</p> <p>There is some ambiguity over this target as it is not clear whether the result being measured is the policy input into international processes (indicator and target statements) or whether it is the lack of engagement of regional institutions (baseline and target statements).</p>

Programme Strategy	Indicator	2011 Baseline Level	2016 End-of-Programme Target	Achievement Rating
	3b Number of South – South initiatives facilitated and knowledge products disseminated on climate finance.	Regional institutions (such as ASEAN, SPREP, SACEP) lack the capacities needed to assist countries to identify and share relevant experience on climate finance.	By 2015 at least three south-south meetings / mission supported in response to demand from country policy makers and practitioners for climate finance support. By 2015, at least 4 knowledge products developed and disseminated by regional institutions.	2 regional knowledge sharing forums organised (<i>Incheon</i> , Korea and Bangkok, Thailand), technical assistance support missions carried out and numerous knowledge products developed. There is some ambiguity over this target as it is not clear whether the result being measured is the South-South knowledge sharing (indicator and target statements) or whether it is the lack of engagement of regional institutions (baseline and target 3bii statements).
	3c Number of Donors visibly implementing Busan Building Block (BBB) actions through more coordinated support to deliver climate finance in line with poverty reduction objectives.	Eleven key development partners (UNDP, EU, and countries in Asia Pacific have signed the Busan Building Block (Bangladesh, Indonesia, Pacific Island Secretariat, Samoa, Vietnam) on climate change and aid effectiveness. This document provides a framework for action on increased alignment of climate finance with wider development and poverty reduction objectives.	By 2015, at least 3 donor signatories to the BBB have undertaken specific measures to improve coordination with country governments, in at least 3 countries, over the management of climate finance.	CPEIRs extended to China and Nicaragua by Switzerland; Republic of Korea organized the global forum workshop on climate finance and Mexico hosted a climate finance event at the recent GEF Assembly meeting.

5.4 Efficiency of implementation

97. This section synthesises findings about the cost effectiveness of the Programmes as well as the quality of work planning, progress reporting and financial management.

5.4.1 Work Planning

98. There are two full time regional advisers in the Programme, which also receives advisory inputs from other advisers paid from other projects. The regional team as a whole has a relevant mix of complementary skills: PFM, climate change, governance, local governance. Within the UNDP APRC team it is noted that PFM is the key skill set needed to engage with recipient governments and develop domestic capacity. The regional office is stretched very thin in this area with only one internal expert with this specific background. The other gap, the MTR team would submit, is climate change planning skills, particularly on integrating climate change projections into planning systems. The two regional advisers each take the lead for two countries, which provides accountability for country implementation progress, though a downside to this arrangement is that it may have limited the opportunities for cross-working. Feedback from country stakeholders has been on the whole positive about the value and effectiveness of the support provided by the regional advisers, though constraints in accessing customised technical inputs, as distinct from quality assurance services, was noted by two informants.

99. Implementation progress is monitored through monthly team meetings, and through teleconferencing and missions with Country Offices. The monthly team meetings have been reported to be a key mechanism for adaptive management, handling delays, and to fine-tune between regional framework and country specific context. The team uses UNDP Atlas project management system to monitor expenditure and work plan progress. Regular expenditure tracking is undertaken on a monthly basis. Quarterly progress reporting using UNDP's internal Results Reporting is carried out (though the reviewers could not verify this for lack of information shared).

100. Owing to the political economy challenges in the countries, it has taken much longer than expected to get the Programme off the ground. It has also been difficult to disburse for actual project implementation to date in Indonesia and Bangladesh due to program rollout timeframes. The majority of spending to date in these countries has been related to staff time, staff missions and the hiring of experts.

101. The transaction costs for establishing projects in the four countries are high. Many missions and a high amount of regional staff time have been devoted to developing country-level projects, for example, 14 missions made by Regional staff in

20 months to Indonesia, which is all the more surprising given the permanent UNDP presence in-country. This raises the issue of the team's time allocation to different tasks and extent to which this is an efficient arrangement and needs to be rationalized. A number of staff interviewed mentioned that they felt there were being pulled into different areas and country work, including those outside the Programme. Annex 1 summarises the missions undertaken since January 2013, summarized in Table 5:

Table 5 Number of missions to Programme Countries, Jan 2013 – Oct 2014

	2013	2014	Total
Indonesia	5	9	14
Cambodia	6	5	11
Bangladesh	3	6	9
Thailand	-	2	2
Total	14	22	36

102. To date \$1.6 million has been spent on the Programme. Activities are synthesized in Table 3. The key outputs delivered are summarized in the country project summaries in Section 5.1.2.

103. It would be fair to say that the approach taken to developing the poverty and gender mainstreaming strategy represents a somewhat inefficient use of resources. At first, weakness were recognized by the regional office in this area and focal points for gender and poverty were identified and empowered within the UNDP team. At the same time, technical services were procured in 2014 to assist with deepening the programme's poverty and gender analysis, one of which developed a methodological note to strengthen the poverty and gender aspects of the CPEIR tool with initial analysis undertaken in Bangladesh, the other developed a guidance note for poverty mainstreaming into climate change programmes. Both activities are aimed at addressing the specific targets included in the log frame on benefit incidence and piloting approaches to mainstreaming climate within poverty programming. However, these assignments do not yet add up to a systematic approach to addressing poverty and gender throughout the programme. This will need to be addressed. More useful strategies are being developed at the country level, though with differing potentials delivering programme targets within the Programme timeframe, notwithstanding their possible longer-term benefits.

5.4.2 Progress reporting

104. Progress reporting improved from the first to the second report in that progress was reported against output indicators and targets. However, there are problems with the progress reports: duplication of information between outputs; information that is inconsistently reported between the first and second progress reports; discontinuity in

some results reporting, and a lack of detail or missing reporting for other activities. This makes it difficult to understand what the rate of implementation progress has been for activities and outputs and where the gaps are. Reporting by Activity (which are really outputs) and Outputs (which are really Outcomes) by country would help work planning and in particular to understand how advisory time should be allocated between tasks and countries.

105. Another point on progress reporting is that there has been at times, a lack of clarity concerning what has been directly supported and that which is co-financing. This is partly because of the blended nature of support in this area, which on one hand signals how well institutionalised the programme is becoming, but on the other hand makes it difficult to pin down how effectively and efficiently the grant has been used. For example, in Indonesia, there are three outputs in the Sustainable Development Financing programme, but the SIDA grant will be used to progress the third output: *Fiscal instruments and performance –based budgeting developed to strengthen the quality of implementation of environmental activities at sub-national level*. Yet activities which contribute to the other outputs in the programme are reported in the progress report, which means either one of two things: activities are getting funded by the Programme which are outside the scope of the agreed strategy or activities are being reported that have not been supported by the Programme. Notwithstanding that it can be difficult to delineate the boundaries of the programme, the in-kind support given by the Programme to the wider initiatives in which the programme is operating will ultimately serve to safeguard programme outputs and to enhance the broader programme effectiveness.

5.4.3 Financial Management

106. Table 6 shows the planned budget at Programme approval and budgets allocated by Output; disbursements to date and the balance. These summary financials show a snapshot of progress to date against two grant tranches amount to \$1.7 million. Compared to funding for output delivery at the approval stage, 37% of planned budget has been allocated and 27% has been disbursed, and for the Programme as a whole (including implementation and management costs) the figures are 35% budget allocated and 28% disbursed. The expenditure figures for output delivery are on the low side at mid-point of the Programme (22-31%), probably due to the time needed to position the Programme at the country level. The highest expenditure in percentage terms for Output delivery is Output 1 (31%) which is also where the Programme targets are off-track. Output 3 expenditure is 28% of the planned budget at Programme approval stage and as explained earlier in the report, targets have been met. Information on the planned allocations from mid-point to programme end was requested but information was not made available. For Outputs 1-3 there is nearly \$2 million left to disburse. There are implementation plans worked out for each of the four countries, for example support to the IBFCR project in Bangladesh and presumably Programme funds have already been allocated to projects and activities (though the

reviewers did not manage to see the total allocation plan until Programme completion, and the extent to which this is aligned to the approved workplan at Programme approval). It would make most sense for funds to be directed towards implementation progress on Outputs 1 and 2 which some targets are off-track.

Table 6 Expenditure outturns for the first two grant tranches for the four programme countries

Summary table	Budget planned at approval stage	Budget allocation to July 2014	Percentage allocated	Disbursed to date	Percentage realisation	Balance
Output 1	1086500	481,000	44%	337,148	31%	143,852
Output 2	875100	274,600	31%	189,573	22%	85,027
Output 3	768500	264,961	34%	211,618	28%	53,343
Sub-total outputs	2730100	1,020,561	37%	738,339	27%	282,222
Implementation costs	1490060	588,883	40%	545,680	37%	43,203
GMS	420361	163661	39%	163661	39%	0
Total programme cost	4640521	1,609,444	35%	1,284,019	28%	325,425

Source: Programme document (7 Feb 2013) and 2nd progress report.

107. Financial progress reporting could be clearer and help the strategic management of the programme. A simple table to track cumulative disbursements against the total grant allocation will help to identify the rate of implementation progress for each component, which could then be compared with progress towards targets. Presenting financial figures as annual amounts in line with annual progress reporting would also help clearer assessment of disbursements and implementation progress against the workplan.

108. Expenditure tracking against the financial plan is presented by grant tranche/s released. Expenditure figures are for 18 month disbursement periods rendering the financial figures difficult to compare to the planned budget at approval stage where budgets are presented as annual amounts. Presenting financial figures in 18 month periods also makes it difficult to compare to implementation progress in the preceding year, preventing a clear view on where management attention should be targeted. . There seems to be a duplication between financial tables (Tables 1 and 2 in Annex 4 of the 2nd progress report) and a lack of read-across in the figures between the annual progress report and the work plan (where 'roll over budget from 2013-2014 work plan doesn't' seem to correspond to the 'Balance' figures in the 'Progress report' financial tables). The table column titles are also unclear for example whether allocated (or original) budgets are for the tranche in question or cumulative expenditure or planned at budget approval stage.

109. The co-financing and leveraging⁶ plan was not set out in the Programme Document. The figure included in the inception report was the figure given by the

⁶ That is **leveraged by the project**, i.e. the funds or the initiative that would not be present or active, was it not for the project.

Programme management team, but we have not been able to find how this figure was calculated. It is clear though that there is a significant co-financing from UNDP staff and technical specialists' time to the Swedish-funded programme, see Table 7 for more details, as well as co-financing of the SIDA-funded staff to other programmes.

Table 7 Co-financing of staff time

Co-Financing of Staff time		Percentage of time			
		SIDA funded	Other	Contribution to SIDA Project	Contribution of SIDA-funded staff to other programmes
Regional Staff	Climate Advisor		DFID 50% PEI 50%	30%	
	Programme Manager/ Governance Advisor		UNDP 50% DFID 50%	40%	
	PFM Specialist	100%		70%	30%
	Climate finance advisor	100%		80%	20%
	Local Governance Advisor		UNDP 30% DFID 70%	30%	
	Regional Communications and Programme Analyst	100%		80%	20%
	Regional Programme Associate		DFID 100%	20%	80%

110. Two regional specialists (the PFM and climate finance specialist), one regional communications and programme analyst have been contracted full time by the SIDA grant but dedicate some time to other climate finance programmes. Three other regional team members are funded by the UNDP, UNDP-UNEP Poverty and Environment Initiative or DFID but contribute significant amounts of time to the SIDA programme. The balance of advisory time value dedicated to the SIDA programme is positive but by a relatively small amount, which shows the blended nature of the SIDA support with the broader climate finance programme run by the UNDP APRC. These co-financing figures exclude foundational CPEIR activities that were carried out as a preparation for the SIDA-funded programme which would be legitimate co-financing expenditures. It also excludes government time contributed to the Programme in the four Programme countries. The co-financing may therefore be considered an under-estimate of the true value.

111. The total in leveraged financing is \$11,648million, giving a ratio of just over 1:4 in grant to leveraged resources.

Table 8 Leveraged financing

Leveraged financing for SIDA programme countries(USD)		
Bangladesh	IBFCR (PEI, GIZ, UNDP TRAC)	2,000,000
	GIZ GCF readiness	248000
Cambodia	CCCA(EU, SIDA, DANIDA, UNDP)	2,050,000
Thailand	GoT & UNDP TRAC	1,300,000
Indonesia	GIZ (Biofin) & PEI	1,050,000
	SPARC	5,000,000
Total		11,648,000

112. Cambodia is a good example of programmatic co-financing, where the SIDA grant has been a source of policy support, blended with other grants provided by the Cambodia Climate Change Alliance (CCCA). Ideas are being tested in the field with grants from the CCCA for further up-scaling at the policy level. The CCA has been capitalized with \$12 million for 5 years to mid-2019, \$2 million which is estimated to be committed to Programme activities.

113. Lastly, the regional work by the UNDP APRC to promote lesson learning across countries and development partners was successful in mobilising DFID funds in South Asia for \$4.5m over three years ending 2017 (Bangladesh, India, Pakistan and Nepal). This mobilised funding draws directly from the approach and results framework of the Programme. Work is already underway in Nepal and Pakistan and the regional team has begun supporting South-South exchanges.

5.5 Potential Sustainability

114. This section presents the findings on the following issues relating to sustainability: risks to sustainability, replication potential and knowledge management.

5.5.1.Risks to sustainability

115. The time line for the project is very short – only three years – and therefore some project initiatives will only be getting off the ground as the project comes to an end. Though the climate change fiscal frameworks which have been developed in Cambodia, Indonesia and Bangladesh are highly relevant, there is a risk that these operate as stand-alone frameworks which are not fully institutionalized or streamlined into the regular budget process of their governments. For example, there are ownership challenges in the government of Thailand as regards climate change and these will not be easily overcome in the near term. A large remaining challenge for the UNDP team within the lifetime of this grant will be to develop channels to champion

climate change in the BoB. The risk is that if the funding for this kind dries up, there will be weak capacity left behind to provide technical assistance for this increasingly important area. Without continuation of advisory inputs, the sustainability is questionable. More needs to be done to develop change agents within countries themselves for sustainability. No capacities in Asian regional institutions has been developed and though this does not pose any direct risk to the Programme achievements, focusing on this component in a more meaningful way might help to provide a bigger head of steam for reform within an CFF context in the future.

116. Institutional developments currently underway in the Programme countries should go some way to mitigating this risk, for example, in Indonesia the ministerial decree obliges ministries responsible for meeting the national mitigation target to apply the budget tag. In Cambodia the Ministry of Economy and Finance has developed their three year roadmap which essentially seeks to operationalize the CCFF. The UNITAR strategy for developing capacities within national institutions is a good step forward in this respect.

117. The risks captured in the risk matrix in the programme document were more or less well appraised, though it was not an entirely comprehensive list. The rating for 2 of the 5 risks could be changed according to contextual changes, see Table 9 for details.

Table 9 Re-appraisal of risk matrix at programme approval

Risk	Risk Level 1 = unlikely 4 = almost certain	Mitigating Action	Risk mitigation measure proposed at MTR
1 - Continued lack of political and technical support within ministries of finance to integrate climate change within fiscal policy formulation.	2	The proposed Project will continue to work with and strengthen existing cross-ministerial committees which bring together finance, planning and environment ministries to integrate climate change within fiscal policy formulation. Ministries of Finance will continue to be supported to chair these arrangements. The focus will be on providing technical support to these committees so that a clear agenda for action is presented for agreement and execution. We will also provide support for communications and advocacy to ensure that policy aspects of climate finance are politically relevant.	Risk rating continues at 2. Implement strategy to work with national institutions to strengthen/implement the CFF. Successful implementation of the communications strategy should help.
2 - Evidence from Paris Declaration monitoring shows that even when PFM	3	This risk if realized would have minimal impact on Project targets due to the fact that the Project focuses primarily on government's planning and budgeting processes and identifying domestic finance that is related to climate change.	

systems improve donors still tend not to use them. Donors continue to be reluctant to integrate international finance related to climate change in country systems.		<p>It also aims to strengthen systems for tracking and monitoring the impact of that finance on climate change. The Project includes aggregate targets for strengthening the use of systems in managing both domestic and international finance. Progress on integrating international finance is likely to be slow (particularly but not only in countries with weaker systems), however there will be demonstrable progress on managing domestic finance.</p> <p>Internationally the Project will continue to engage with global processes such as the Busan Partnership for Effective Development Cooperation (including the Busan Building Block on Climate Change Finance and Development Effectiveness) as well as the discussions over the design of the Green Climate Fund and other global climate funds. This engagement will include advocacy work on the use of country systems.</p>	<p>Risk rating continues at 3.</p> <p>Cambodia and Thailand: difficult to get traction on budget and expenditure monitoring.</p> <p>Focus on easiest wins.</p>
3 - Difficulty in identifying poverty projects where there is both willingness to engage and potential to demonstrate real change over this SIDA supported Project timeframe.	2	At Project inception, a thorough review of UNDP poverty Projects in the region to identify appropriate Projects will be undertaken. UNDP and SIDA Project management will review options by the August 2013. Criteria for selection will include (i) willingness to engage; (ii) potential for leveraging additional climate finance in medium / long term; and (iii) potential for poverty impact.	<p>Risk rating downgraded to 1.</p> <p>Poverty programmes have been shortlisted/identified for Bangladesh, Cambodia; Indonesia.</p>
4 - Key regional institutions have competing priorities and limited capacity to address climate finance in policy dialogues and advocacy	2	Regional capacity assessment of institutions to be completed. This work is beginning now (2012). Capacity development plan to be developed alongside a Communications / Advocacy strategy.	Risk rating upgraded to 3. A Strategy to develop technical functions to regional organisations is needed (see recommendations), though likely to be outside the timeframe for this Programme.
5 - Continued donor and international pressure to establish stand-alone climate change projects leads to poorly coordinated and overlapping	2	The project will invest in strengthen the coordination of climate change finance through support to (i) existing coordination structures in-country (such as technical and sector working groups); (ii) regional coordination (through performing a secretariat function and regular coordination meetings); and (ii) globally through contributions to UNFCCC and the Global Busan Partnership.	Risk rating continues at 2. Not much reported on this in the progress reports. There seems to be some pressure for stand-alone funds in Cambodia. In Bangladesh, there are two climate change funds, one managed by the World Bank and the other by GoB. Both look to be closing down due to concerns about effectiveness.

international assistance.			
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118. The additional contextual risk that has been captured in the second progress report is the lack of capacity at the UNDP country office level to deliver outputs, which, combined with limited regional staff, could threaten the success of the programme. Concern about this risk is understandable given the DIM arrangement, which in itself is justified because of the novelty of the process and the need to drive demand for a country-systems approach to climate finance. The 2nd progress report considers this a low risk because UNDP staff – presumably meaning regional advisors - are involved at country level. Deepening the Programme in future is likely to need a national implementation modality and associated role definition for the UNDP in order to deliver an effective and sustained capacity development in-country to be able to lead the national process, even if DIM continues to be needed in the regional sphere of working.

119. As discussed earlier (for example in paragraphs 49 to 52) other risks that have been seen to delay implementation progress are for example:

- Political barriers such as departmental conflicts; lack of PFM reform and election processes.
- The need for leveraged financing to materialise in order to achieve the project targets.
- Programme modality of working through long-term donor financed consultants risks the mainstreaming exercise as an optional add-on rather than core work, similarly risking ownership of the process.

5.5.2 *Replication potential*

120. The CPEIR concept is clearly relevant to global climate change agenda and its potential benefits to the development countries. Relevance is evidenced by the widespread adoption of the approach in 20 countries across three continents.

121. The Programme has mainstreamed the CPEIR programme of work in Bangladesh through the IBFCR. DFID has also included a CF component in its larger Climate Proofing and Development Programme (CPGD). The November workshop was jointly funded by UK and Sweden. The concept is being mainstreamed into various international processes, see paragraphs 76 and 77 for details.

122. The challenge will be to make the CPEIR and CFF process sustainable so that it can continue through repeated budget cycles and become embedded in national planning and budgetary processes. An effective capacity development strategy will be needed in every country. Ensuring sustainability will be a key consideration in the

replicability of the approach. Section 7: Recommendations for future programming provides ideas for improving sustainability.

5.3.3 *Knowledge management*

123. One of the key areas of focus of the Programme is on knowledge dissemination. To date there has been a large amount of work on creating knowledge documents which primarily have come from the regional office. The origins of the knowledge products produced through the Programme lie in the CPEIRs themselves. The tendency appears to be that knowledge products have evolved through a holistic rather than fully selective process which builds on the logframe objectives. This approach has created certain risks for the programme such that much of the work undertaken in the first half of the program was related to the CPEIR and CFF follow-on process, whereas the Programme is now at a turning point in trying to catch up to certain commitments built into the logframe. This is probably best evidenced by the poverty focused work which is now being rolled out by the team.

124. That said there has also been a visible commitment at the regional level to build on individual country experiences and to mainstream these knowledge products into regional best practices. The knowledge products from the APRC have been acknowledged as important, particularly for technical audiences (methodological note, lessons learnt paper), though there was a feeling that there is scope to present the information to policy-makers in a more capturing way. Examples of knowledge product dissemination thus abound under the Programme including for example Bangladesh's Climate Fiscal Framework which was edited and printed by the Programme for the Government of Bangladesh delegation presided by the Prime Minister to use and present at the UN Climate Summit held in New York on September 23rd 2014. In addition, there has been an effort to create more tailored communication pieces, such as the Cambodia policy briefs for the Ministry of Finance and Economy and Ministry of Agriculture, though there is probably scope for improving the style, look and length of the pieces to appeal to busy policy-makers and politicians.

125. Stakeholders across countries and the programme also thought that useful South-South learning has been achieved, see paragraphs 78 for more details.

126. The programme has informed international policy processes, paragraphs 76-78 has more details.

127. With Programme support, the team successfully develop a number of communications tools and materials for climate change finance initiatives as follows:

- www.ClimateFinance-DevelopmentEffectiveness.org or www.CFADE.org. This portal has increasingly become an inclusive online centre for information on climate change finance and development effectiveness. In December 2013,

when UNDP jointly with OECD, Government of Korea and CPDE organised a “Global Forum on Using Country Systems to manage climate change finance in Incheon, Republic of Korea”, this website served as an official site of forum www.climatefinance-developmenteffectiveness.org/globalforum2013 for participants and other interested partners. The forum agenda together with all background documents, presentations as well as visual record from the forum and forum report in 3 languages (English, French and Spanish) were made available for global audience.

- A short Video on better use of climate change finance was successfully produced with infographic, footage and testimonials from countries to explain the concept of Climate Change Finance in a simple way. It was launched and was well-received at the Global Forum in Incheon in December 2013. It was also screened and distributed at a number of global and regional events including the Mexico High level meeting of the Global Partnership for Effective Development Cooperation, the National Adaptation Planning and Budgeting (NAP) regional workshop. To date, there are more than 1,300 views for this short video in social media platforms including Youtube. <http://www.youtube.com/watch?v=KQqIIPcOSOg>.
- Leaflets and banners on the CPEIR concept were produced and displayed at National Adaptation Planning and Budgeting regional workshop in 2014. The Community of Practice database is updated regularly.

6 Conclusions

128. This section draws on the preceding sections on the findings to identify the priority issues relevant to the review of this Programme. The conclusions present a balanced picture of both the strengths and the limitations of the project, grounded in the regional context and based on a views of broad consideration of stakeholder viewpoints.

6.1 Strengths

129. The CPEIR approach, the foundation of the Programme, is commendable and it was certainly ahead of the international climate change finance curve back in 2011/12. The CPEIRs shed a huge amount of light on the large scale challenges that countries were facing in terms of integrating climate change policy into the budgeting process. It also shed important light on the fact that countries were already spending on climate change adaptation and mitigation policies, programmes and projects. The CPEIRs thus further supported countries in establishing baselines on the current levels of domestic spending on climate change finance. Since the CPEIRs were conducted in 2011/12 the Programme has also enabled countries to develop time trend data which builds on the original baselines established in 2011/12.

130. The Programme, which supports the implementation of CPEIRs recommendations, is highly relevant to the national challenge in developing countries of creating absorptive capacity for increasing flows of climate change finance.

131. The strength of the concept has led to good fund mobilization. CPEIRs and the follow on CFFs were a good advocacy tool for an area of development which is highly relevant and significant, namely using country systems for absorption of high levels of climate fund flows. Funds continue to be mobilized for the application of this tool for advocacy purposes. Now the need is for a transition to a meaningful capacity development programme.

132. Some capacity development has taken place through this Programme through the development of climate change fiscal frameworks, cost benefit analyses, budget tracking, strengthened cross-ministerial coordination mechanisms, and in the case of Indonesia, new legislation. Through the Programme, an increased awareness has been built in recipient government on the significance of climate change finance for national budgeting systems, which has led to the institutionalization of climate change policy into budget frameworks.

133. There has also been a visible commitment at the regional level to build on individual country experiences and to mainstream these knowledge products into regional best practices. Examples of knowledge product dissemination thus abound under the Programme.

134. Regional technical advisors have provided a valuable source of technical support particularly in fund mobilization. Consultants have augmented this technical support.

135. With UNDP support there was a significant amount of cross learning and cross support for the Region. In response to this process a more generalized methodology for undertaking CPEIRs was developed. Evidence of the success of this process can be seen in that CPEIRs were replicated in other Asian countries as well as elsewhere including in Africa and the Pacific. This is a very positive trajectory. Some CPEIRs started as early as 2011 but many others started after the start of the SIDA-funded programme and even if not directly funded by SIDA, the SIDA support and experience gathered with that support, provided the team and process with more credibility and momentum to roll out CPEIRs more widely.

6.2 Weaknesses

136. The Programme is implemented through a Direct Implementation Modality (DIM) which means in practice that UNDP has had roles on policy (advocacy), quality assurance and direct technical assistance. Whilst the Direct Implementation Modality (DIM) may in some ways be an appropriate modality in order to demonstrate and direct an innovative policy process, more needs to be done to develop capacities and ownership at the country and regional levels. Advocacy is important, but for substantial results, effective ways of transferring conceptual and analytical knowledge, developing practical skills and supporting learning by doing must be found. Deepening the Programme in future is likely to need a national implementation modality and associated role definition for the UNDP APRC in order to deliver an effective and sustained capacity development in-country to be able to lead the national process.

137. The Programme may have been pulled into areas of high demand (CPEIR methodological development and policy transfer initiatives) and somewhat lost its way on some areas of the Programme's commitments. There is a risk that the technical work on weightings could become an end in itself, losing sight of the intended purpose of the CFFs which is to prepare country systems to absorb larger flows of international finance. The space given to this kind of analysis should be determined by country governments in country-led processes.

138. Programme design was weak which has meant that some of the targets are beyond reach without some re-design of the targets and a strategy to reach them. The Programme design was overly ambitious in terms of targeting the poor, the vulnerable

and gender dimensions of climate change and there does not seem to be much country demand for this analysis to date, making an explicit strategy to deliver this target essential. A common observed problem in the results framework is that there is a “missing middle” between planned activities/outputs and higher level objectives.

139. The programme design was based around the CPEIR budget tool, offering a highly relevant entry point. However, there was no road map provided at the country level to achieve the programme targets. Country-level ToCs could have better captured country realities, risks and barriers in this institutional reform process. Instead the results framework was tied up with country level indicators that were by and large unrealistic, especially given the short time frame for project implementation (three years).

140. Reemerging themes are that (i) the country level project timeline is too short to achieve the programme objectives in a timebound manner, (ii) there was inadequate attention to the extent of political economy barriers to entry in each of the four countries, (iii) the Programme did not fully consider issues of capacity within recipient governments, and (iv) in some countries namely Cambodia and Thailand climate change as a concept is not fully developed, understood or owned. Combined these issues are affecting the institutionalization of the UNDP APCR Programme/project based work.

141. This is a new area of work and though attempts to engage national institutions were tried, for example in Cambodia, capacities and interest have been low to start with and the Programme has had to rely on national and international consultants to generate awareness and ‘demand-pull’ for this approach as well as progressing technical understanding is what is a relatively complex area. Nevertheless, reliance on consultants alone for policy transfer is likely to compromise ownership of the process, particularly given its complexity. National and regional-led models are likely to work best, partnering with international expertise, recognizing that this is a long term venture requiring patient investment.

6.3 Looking ahead

142. It will take many years of investment in developing country systems for budgeting, expenditure and accountability for climate finance to be fully mainstreamed into national public accounts systems. Capacity development needs a longer engagement of some 5-10 years, requiring longer-term support.

143. Effective ways of engaging change agents at the country level should be found. Some early signs can be seen in Bangladesh and in Indonesia that climate change finance is being discussed at the top level of government. In Cambodia it is also gaining momentum within the top tiers of government policy. From a technical assistance and sustainability point of view there would be value in supporting a

regional institution to provide technical support services in order to promote South-South learning and capacity development. This needs a well thought out strategy.

144. There is the potential for significant learning by doing, for example all four of the countries are now undertaking or planning repeat assessments of the CPEIRs in all countries and developing new learning methodologies for local government (Bangladesh and Indonesia) and sector led (Thailand) CPEIRs.

145. An approach is needed for expenditure tracking and performance monitoring, linking to poverty and gender dimensions of budgeting or other distributional questions of relevance to governments, finding ways to develop this through a model of national leadership. Climate-finance flows, and in particular adaptation-related flows, in developing countries may inherently have a poverty and gender focus given the high correlation between women and poverty and poverty and vulnerability. The more meaningful work may be in determining how to design policies in ways that maximize the impact of such flows.

7. Recommendations

146. This section outlines the main corrective actions recommended for the Programme to reach its targets and to reinforce initial benefits from the Programme. Given the short timeframes for the remainder of the Programme, the recommendations offer contained and realistic suggestions of what could be possible and most beneficial to the Programme success in the next 18 months. Proposals for future programming directions are also provided.

Recommendation 1: Amend Output 1 targets 1 and 2.

147. Amend 'mainstreaming targets' to interim process targets for each of the four programme countries. One suggestion is to develop a qualitative scale for mainstreaming progress. Interim targets could be identified to mark the progress along the mainstreaming trajectory for each country, using a qualitative scale (for example foundational, medium and high). Intermediate targets could be in relation to three dimensions: tracking climate finance, planning climate finance and accountability for climate finance. For example, in Cambodia where the PFM reform is only just beginning, we would expect the targets to be at the foundational level. For Bangladesh where programme budgeting is practiced, the targets could be at the intermediate level. Developing this scale should look at what is being planned programmatically in each of the four Programme countries to see what would be realistic milestones to reach by Programme end. A common scale applied to countries would allow some level of comparability on mainstreaming progress, and would allow for more realistic targeting at country level.

Recommendation 2: Reduce duplication in the Results Framework

148. Eliminate the overlap between output 1 and output 2 targets (Targets 2 and 6) on reporting of benefit incidence in order to eliminate duplicated information in the progress reports. This will simplify reporting and help the reader to understand the information, ultimately benefiting strategic management of the Programme.

149. Eliminate Target 7 as it unclear what is really meant by it The poverty programmes are the mechanism used to work on the benefits incidence target which are captured elsewhere.

Recommendation 3: Develop a strategy to achieve poverty and gender targeting.

150. To reach the target on analysing the benefits incidence of climate-related expenditure, we can think of two ways that can be done in the Programme timeframe: one of these focuses at the national level and one of these would be applied through an investment. The first looks at distributional flows mapped onto climate vulnerability maps, the second looks at benefits analysis at the level of an investment. Both approaches could be undertaken in the remaining timeframe of the project.

151. *Macro-level mapping of climate vulnerabilities against climate-relevant expenditures:* Existing climate change vulnerability maps can be used as well as vulnerability indexes if these exist. A further investigation will be needed into the factors leading to the construction of vulnerability maps and indices to assess the strength of connection to poverty incidence. This information can be used to estimate the current distribution of climate finance to climate-vulnerable areas. It can also be used as an advocacy tool for further research at the sectoral level on more equitable expenditure targeting of climate-relevant expenditures. This work may require a prior step to overlap climate change projections onto existing poverty and vulnerability maps if climate vulnerability maps do not yet exist. This does not look at impact, only at distributional flows and the extent to which they are directed to climate-vulnerable areas. In future programming, the picture of distributional flows makes most sense if this is compared with performance data.

152. *Benefits data collection:* This could be piloted within the context of the poverty investments identified by the Programme (e.g. SPARC in Indonesia and IBFCR in Bangladesh) to collect data on vulnerability to climate change, the extent to which investments in question reduce vulnerability, barriers to achieving these benefits, unintended consequences and recommendations for better policy design. Evidence could be generated on metrics that could be used for adaptation performance tracking. In future programming support could be provided to the national statistics office to revise their household survey methodology to collect data on vulnerability to climate change.

153. The first option can be carried out relatively quickly for the purposes of advocacy (given the high correlations between poverty, women and vulnerability), and it could be disseminated through the Programme communications materials.. The second option may deliver more meaningful, policy-relevant data, as well having more potential for building capacities and informing medium term planning and policy development.

154. The second option could also have the added opportunity to work with NGO on social/ public finance accountability work, perhaps through the IBP, and thereby help to deliver Output 1, Activity 5.

Recommendation 4: Engage in more effective in-country advocacy

155. UNDP APRC can engage more on advocacy of climate change building on their core knowledge products. This appears to be especially the case in Cambodia and Thailand where not all actors and in particular budget actors are in line with the concept and importance of climate change, not least the impact it is going to have on their economies and the need to build in capacity into existing planning, budgeting, tracking and monitoring systems so that government can deal with this phenomena in the most effective manner. The challenge will be to find formats that provide meaningful information and analysis but that are nevertheless appealing and understandable to less technical audiences and those with limited time.

156. The Communication Strategy 2013-2016 contains many good ideas including four objectives, getting a professional development communications company on board and developing messages tailored to the different audiences to address the barriers. The programme has taken forward some key recommendations from the Communications strategy such as the production of a short video with infographic and interviews explaining the concept of climate change finance. The Programme website is used as official online platform for a number of large-scale workshops (Incheon Global Forum 2013, CRB workshop in Bangkok 2014), where policy briefs are also made available. In 2015, the programme is intending to step up its communications, partnering with communication professionals regionally and nationally. At the country level, it will be important to develop the messaging together with national stakeholders, partnering with a national communications company with expert knowledge of the context. Linked to this point, it will be also be important to not lose sight of the reason for the advocacy which in part will be to help with achieving the country Programme targets, in particular Output 1 on developing fiscal policies and to strengthen commitment to continuing with the process after the SIDA Programme ends. Advocacy at the international level will be important to strengthen support and commitment to a country systems approach.

Recommendation 5: Establish a system of peer review for knowledge products

157. The Programme should initiate and formalize a system of peer review for knowledge products as well as a quality control mechanism for all products produced through the UNDP APRC. At present there is varying quality across documents produced both internally within the UNDP team and also in the reports produced by consultants. Convening a peer review team could be another way to engage regional and national institutions in the country systems approach.

Recommendation 6: Establish clearer progress reporting methods

158. Clearer progress and financial reporting at the activity and Output level by country for the activities directly supported by the SIDA grant, and against the planned budget at the programme approval stage will help to track progress and help determine management efficiency and the development effectiveness of the grant.

Recommendations for future programming

159. Develop a capacity development strategy working through national institutions. The UNITAR strategy is a step in this direction. Moreover, Thailand's co-financing of the country-level projects clearly shows their commitment to the process. Discussions revealed that the government is intending to build up a national climate change institution. This could be a good opportunity to develop a partnership and help build up domestic capacities to lead the national response.

Developing a methodology to measure the effectiveness of capacity development, for example adapting the UNDP capacity development scorecard approach, would help the process of continuous improvement.

160. Develop a meaningful regional capacity development strategy. This could be done through a competitive tendering process to place technical components in regional institutional institutions as a way of building up capacity. The tender could be structured as a joint partnership with an international institution. Regional advisers could be placed in those institutions to help build capacities.

161. In future iterations of CFF's there would be value in generating cost projections based on medium to longer term climate change projections for the country. The further into the future we go, the stronger the anthropogenic climate signal and the stronger the losses are likely to be. Following a more conventional planning process and generating the bigger numbers (as the anthropogenic climate signal becomes stronger), may enable easier budget integration. Packaging and presenting the messages in the right way for different audiences in-country will be critical in getting the people in power to internalize what it means for their country. Linking into the climate change planning processes (e.g. NAPs), where climate change risk assessment are typically generated would promote greater efficiency and effectiveness of the planning-budgeting process and could help with integration of climate finance into budget systems. In short, having a more integrated approach to this country systems approach within the planning and budgeting cycle and accountability processes could be helpful in developing the CFF concept at the country level.

162. Country-specific theories of change should be developed together with country stakeholders. The ToCs should indicate deliverables (outputs), intermediate

outcomes and final results, including explicit consideration of assumptions being made and whether these are realistic, with actions identified to address the risks. The CFFs offer a number of follow-on recommendations, the issue is how to group, sequence and implement these actions in order to get the desired result of country systems that are ready to absorb bigger flows of climate finance. Project design is a key area for the UNDP ARPC to help country governments with.

163. It is recommended that the Programme moves towards supporting the development of a climate finance expenditure tracking tool linked to poverty and gender dimensions of budgeting or other distributional questions of relevance to governments. Combined with work to develop national performance metrics, this could be an effective way of building the national picture of the development effectiveness of these expenditures. This approach could be piloted in upcoming Indonesian and or Bangladeshi subnational CPEIRs. Once this tool is more developed and piloted through the CPEIR process, the Programme can work towards mainstreaming the tool as a national budget expenditure tracking tool, which could be used to track national, sector, or programme level expenditures. It would be highly important that this tool can capture expenditure data by region/locality.

8. Lessons learnt

164. Three lessons learnt are offered which can be summarized as i) advocacy and country systems development ii) developing regional support and iii) programme design.

165. Two of the characteristics of this Programme are its advocacy activity and the second its technical assistance to prepare country systems for increased flows of climate finance. The programme has had most success on Output 3 which contains the advocacy-related activities. There is clearly a continued need for advocacy on the use of country systems to counteract stand-alone funds given the size of climate finance flows expected over the coming years, the severity of the climate challenge expected and the need for implementation effectiveness of climate finance in order to mitigate the worst impacts.

166. The programme has made least progress on Output 1 which is the critically important fiscal framework development at the country level, for a number of reasons including complex political barriers. The technical work developed under this Programme is complex. While it may have served to build some level of capacity and have generated some useful information for advocacy purposes, lasting progress at the country level will need a capacity development approach that puts governments in the lead on this with the necessary technical support, accepting that there may be a divergence in the approaches taken to develop the CFFs thus far. Getting progress in this area is likely to need to follow the Cambodia model of resident in-country technical support. Developing country systems demands continuous input (heavy on

coordination and relationship management) and capacities should be supported over a sustained period of time with practical hands on technical assistance and mentoring/coaching support. Even in a middle income country like Thailand, a lesson learned is that the policy appraisal capacity is limited making evidence-based policy development more challenging. The governance arrangements for each country project includes a focus on the role of cross-government steering committees, though progress on getting these cross-government mechanisms to work effectively has been slow. The need to work closely at country level to develop champions and change agent's points to the need to change the way the programme is structured and implemented in future programming

167. The underlying thesis inherent in the Programme is that starting with analyzing the contribution of domestic budgets to climate change responses of domestic budgets will raise the interest and engagement of Ministries of Finance which will generate action to develop country systems for larger flows of international finance. The jury is out on whether starting with domestic budgets is the best way to develop CFFs across the board. Experience to date shows the engagement process with Ministries of Finance to be a much more uneven and unpredictable process. Governments may be more comfortable with developing CFFs along more conventional planning-budgeting lines. The previous point about supporting country-led processes is relevant here also.

168. The proposition that there would be value-added in promoting Asian regional institutions to develop the lead on technical assistance and advocacy capacity on the use of country systems for climate finance is valid. The UNDP APRC have shown the value of this through their well-attended regional workshops and the cross-learning between Programme countries. But the appetite and vision for this is currently absent among country level stakeholders and though there are existing regional networks and institutions which have varying levels of competencies relevant to the climate finance agenda, regional institutions that could potentially develop this role do not currently have the right scope, mandate and capacity to do so. Supporting capacities at the regional level will require a well thought out strategy and patient investment over time.

169. The Programme has achieved tangible deliverables within a short timeframe, but its results framework was over-ambitious and not well thought out. The absence of a well thought out road map to achieve the project results has perhaps had the unintended consequence of being pulled into areas of high demand (CPEIR methodological development and advocacy) and somewhat lost its way on some areas of the Programme's other commitments. The Programme team have created opportunities to embed the programme at the country level and to develop implementation strategies, working around challenges, as well as showing good adaptive management. But changes to the project strategy are not cost free; they carry an additional effort in coordination and communication and it becomes more difficult to keep implementation progress focused, using resources efficiently to achieve the

project results. A well thought out theory of change to underpin the results framework is therefore essential. Adaptive management is good practice within an overall implementation strategy with SMART targets. For future programming, it would be worth developing theories of change with stakeholders, aligned to the development context and pipeline plans.

Annex 1 Staff missions to programme countries

STAFF MISSIONS JAN 2013 – OCT 2014

Year	Month	Duration	Destination	Name
2013	January	21-22 Jan	Phnom Penh, Cambodia	Thomas Beloe
	March	12-14 Mar	Jakarta, Indonesia	Thomas Beloe
		17-22 Mar	Dhaka, Bangladesh	Paul Steel
	April	23-26 Apr	Dhaka, Bangladesh	Paul Steel
	July	10-11 Jul	Phnom Penh, Cambodia	Thomas Beloe Kevork Baboyan
	August	24-27 Aug	Dhaka, Bangladesh	Thomas Beloe
	September	16-23 Sep	Jakarta, Indonesia	Kevork Baboyan
		17-19 Sep	Jakarta, Indonesia	Thomas Beloe Paul Steel
		24-27 Sep	Phnom Penh, Cambodia	Joanne Manda
2014	November	3-8 Nov	Phnom Penh, Cambodia	Joanne Manda Siriluck Chiangwong
	December	10-12 Dec	Jakarta, Indonesia	Thomas Beloe
	January	14-18 Jan	Jakarta, Indonesia	Joanne Manda
		27-28 Jan	Jakarta, Indonesia	Thomas Beloe
		27-29 Jan	Phnom Penh, Cambodia	Joanne Manda
	February	17-22 Feb	Pattaya, Thailand	Joanne Manda Siriluck Chiangwong
		10-13 Feb	Jakarta, Indonesia	Joanne Manda
	March	11-21 Mar	Jakarta, Indonesia	Joanne Manda
		17-21 Mar	Dhaka, Bangladesh	Paul Steel Sujala Pant Kevork Baboyan
	April	29 Apr - 3 May	Jakarta, Indonesia	Joanne Manda
	June	3-6 Jun	Phnom Penh, Cambodia	Siriluck Chiangwong
		9-14 Jun	Jakarta, Indonesia	Thomas Beloe Kevork Baboyan
		23-27 Jun	Dhaka, Bangladesh	Paul Steel Kevork Baboyan
	July	16-19 Jul	Phnom Penh, Cambodia	Joanne Manda
		20-25 Jul	Kupang, Indonesia	Joanne Manda
	September	14-17 Sep	Siem Reap, Cambodia	Kevork Baboyan
		15-19 Sep	Phnom Penh, Cambodia	Joanne Manda
	October	19-24 Oct	Kupang, Indonesia	Joanne Manda
		26-29 Oct	Dhaka, Bangladesh	Joanne Manda

Annex 2 Programme procurements

Year	No	Name	Nature of Service	Duration		Total Amount
				Start	End	
2013	1	Mr. Anit Mukherjee	Gender Economist (under UNDP LTA)	13-Aug-13	12-Aug-14	\$ 42,500.00
	2	Blue Bear	Short video production	1-Jul-13	31-Aug-13	\$ 14,400.00
	3	INIS	Report formatting and cover design (under UNDP LTA)	1-Jan-13	31-Jan-14	\$ 20,000.00
	4	Kudoz	Website maintenance	1-Jan-13	30-Jun-14	\$ 12,588.00
	5	Mark Miller	International PFM consultant	15-Mar-13	30-Apr-13	\$ 6,000.00
	6	Mark O' Donnell	International PFM consultant	25-Mar-13	31-Jul-13	\$ 26,889.00
	8	Nopparada	Workshop Assistant (for Global Forum 2013)	21-Oct-13	13-Dec-13	\$ 2,437.50
	9	Overseas Development Institute (ODI)	Global Stoke-Take on Climate Finance and Development Effectiveness	1-Oct-13	20-Oct-13	\$ 56,651.29
	10	Mr. Jeremy Maxwell Hills	International Specialist on CC Policy and Institute and International Team Leader for CPEIRs	27-Dec-13	31-Aug-14	\$ 64,000.00
	11	Mr. Collin Reid Piprell	Editor	2-Jun-14	23-Jun-14	\$ 4,000.00
	12	Ms. Piamchan Duangmanee	Agricultural Planning and Budgeting Specialist	11-Jun-14	30-Sep-14	\$ 12,903.00
2014	13	PT. Penelitin Nusantara (Ms. Silvia Irawan)	International Planning and Budget Specialist	23-Jun-14	22-Dec-14	\$ 75,000.00
	14	Dotography	Website design and maintenance	30-Jun-14	30-Dec-14	\$ 44,089.37
	15	Mr. Christopher Nicholson	Advisor for Climate Change Finance	9-Apr-14	8-Sep-14	\$ 44,450.00
	16	Ms. Susanne Larn Rose Clark Turrall	International Poverty Expert	28-Jul-14	28-Mar-15	\$ 82,500.00
	17	Thi My Hanh Le	Climate Change and Public Expenditures Analyst	8-Sep-14	8-Mar-15	\$ 40,000.00
	18	Jessica Troni	MTR Team Leader	15-Oct-14	14-Oct-15	\$ 13,750.00
	19	Makoro (Liv Bjornstad)	MTR Team Member	28-Oct-14	15-Dec-14	\$ 18,700.00

\$ 580,858.16

Annex 3 Review questions and data collection method

Review questions	Indicators	Information source	Methodology
A. Concept design and relevance			
<p>1. Are the programme design's underlying assumptions correct (theory of change) and if not, how has this affected implementation progress?</p> <p>Is the Programme strategy relevant and does it provide the most effective route towards expected/intended results? (Has the programme missed any tricks?)</p> <p>Has the Programme helped to address the main constraints to progress in this area? Which constraints are these?</p> <p>Have changes to the context affected the ability to achieve the Programme results as outlined in the Programme document?</p>	<ul style="list-style-type: none"> • An explicit theory of change designed for the programme • Progress towards targets is tangible and due to programme support. • # and significance of changes in Programme RF and implementation strategy • Implementation delays are minimal 	<ul style="list-style-type: none"> • Country level programme design inputs additional to CPEIR • Progress reports • Interviews • Survey 	<ul style="list-style-type: none"> • Documentary analysis • Verification and expansion through interviews.
<p>2. Were the perspectives of those who would be affected by Programme decisions, those who could affect the outcomes, and those who could contribute information or other resources to the process, taken into account during Programme design processes?</p> <p>Were lessons from other relevant projects incorporated in the programme design?</p>	<ul style="list-style-type: none"> • A range of stakeholder views were considered in the programme design (e.g. methodology, risk assessment) • Votes of support from senior policy makers 	<ul style="list-style-type: none"> • Design phase consultation meeting minutes and cross-checking of participants lists to assess inclusiveness and seniority of those consulted • Cross check with programme document RF • interviews 	<ul style="list-style-type: none"> • Documentary analysis • Verification and expansion through interviews.
<p>3 Does the Programme address country priorities?</p>	<ul style="list-style-type: none"> • Country and regional workplans reflect CPEIR conclusions and recommendations. 	<ul style="list-style-type: none"> • CPEIR reports • Country level PB/steering committee minutes 	<ul style="list-style-type: none"> • Comparison of country and regional workplans with CPEIR conclusions and recommendations.
<p>4. Is the Programme promoting ownership and meeting the needs of stakeholders? Is there support for the Programme among key policy-makers?</p>	<ul style="list-style-type: none"> • The programme supports country CPEIR conclusions and recommendations. • Extent to which the findings and recommendations from the steering committee meetings have been implemented. • Extent of and Inclusiveness of consultation process in developing AWP • Quantity and quality of training and other capacity development support for 	<ul style="list-style-type: none"> • CPEIR reports • Consultation Meeting minutes • Country level PB/steering committee minutes 	<ul style="list-style-type: none"> • Comparison of country and regional workplans with CPEIR conclusions and recommendations.

Review questions	Indicators	Information source	Methodology
	<ul style="list-style-type: none"> country level implementation. Implementation delays due to institutional factors. 	<ul style="list-style-type: none"> Training events evaluation reports Progress reports Interviews Survey 	<ul style="list-style-type: none"> Documentary analysis Verification and expansion through interviews.
5. Are the programme's logframe indicators and targets "SMART" and how could they have been improved?	SMART indicators	<ul style="list-style-type: none"> Results framework: programme and country level. 	<ul style="list-style-type: none"> Documentary analysis
6. Are the Programme's objectives and outcomes or components practical, and feasible within its time frame?	<ul style="list-style-type: none"> Programme objective and output targets are reflective of country CPEIR recommendations (and therefore practical and feasible) 	<ul style="list-style-type: none"> Country level programme design inputs additional to CPEIR 	<ul style="list-style-type: none"> Documentary analysis
B. Effectiveness of the approach			
1. Which aspects of the Programme have already been successful and in which ways could the Programme can further expand these benefits?	<p>Logframe indicators:</p> <ul style="list-style-type: none"> 3 countries develop CC policy measures by 2015 3 countries tracking level & quality of expenditure including benefit incidence 3 countries have inter-ministerial mechanisms with a mandate to report on climate finance to the poor by 2015 Thailand: 35% of climate expenditure reflected in budget Cambodia: 15% of climate exp reflected in budget 2 global climate finance processes informed by preferences of Asia-Pacific through regional institutions 3 South-South meetings to respond to country support requests 4 knowledge products developed and disseminated 3 donors take specific measures to improve coordination with 3 country governments over management of climate finance. Intermediate achievements: Programme activities that have led to institutional gains (e.g. new institutional workings; adoption of systems, changing planning behaviours etc.) 	<ul style="list-style-type: none"> Progress reports Interviews 	<ul style="list-style-type: none"> Documentary analysis Verification and expansion through interviews.
2. What is the added value of the Regional Programme?	<ul style="list-style-type: none"> # regional/cross-country functions strengthened Usefulness of the regional support programme to country level implementation. 	<ul style="list-style-type: none"> Interviews 	<ul style="list-style-type: none"> Interviews
3. The extent to which the Programme has led to mainstreaming climate change into fiscal frameworks in participating countries.	<ul style="list-style-type: none"> 3 countries develop CC policy measures by 2015 3 countries tracking level & quality of expenditure including benefit incidence 3 countries have inter-ministerial mechanisms with a mandate to report on climate finance to the poor by 2015 Thailand: 35% of climate expenditure reflected in budget Cambodia: 15% of climate exp reflected in budget 	<ul style="list-style-type: none"> Progress reports Policy and budgetary documents Participants lists for trainings, consultations and coordination processes 	<ul style="list-style-type: none"> Documentary analysis
4. Key barriers and Programme strategy to address the barriers.	<ul style="list-style-type: none"> Strength of barriers and solutions e.g. Complexity of networks; lack of accountabilities; perverse incentives/no incentives; leadership; limited capacities; no supporting legal and policy framework 	<ul style="list-style-type: none"> Progress reports Interviews Survey 	<ul style="list-style-type: none"> Documentary analysis Verification and expansion through interviews

Review questions	Indicators	Information source	Methodology
5. Is there a sound partnership strategy, promoting synergies with other similar projects?	<ul style="list-style-type: none"> • # of regional institutions that programme has formed collaborations in technical, inter-government, NGO spheres • # of country-level institutions that programme has formed collaborations with in and outside government • Quality of advocacy strategy: reach and coverage of activities; working through partnerships. • Leveraging ratio of programme resources in-country 	<ul style="list-style-type: none"> • Progress reports • Interviews • Programme documents • Survey 	<ul style="list-style-type: none"> • Documentary analysis • Verification and expansion through interviews
6. Are the coordination mechanisms effective and appropriate to the achievement of the Programme objectives?	<ul style="list-style-type: none"> • The range of representation on coordination structures as foreseen during the planning phase • The frequency of coordination meetings follows as planned • Coordination meeting are well-prepared in advance leading to effective decision-making. 	<ul style="list-style-type: none"> • Participants lists for all coordination meetings • Interviews • Survey 	<ul style="list-style-type: none"> • Documentary analysis • Verification and expansion through interviews
7. Are there efficient communication processes in place between stakeholders and partners of the Programme? For example, Is communication regular and effective? Are there key stakeholders left out of communication? Are there feedback mechanisms when communication is received?	<ul style="list-style-type: none"> • Communication protocols and systems developed for interactions with stakeholders • Formal and informal opportunities to communicate • All constituencies represented. Open access protocol. 	<ul style="list-style-type: none"> • Interviews • Survey 	<ul style="list-style-type: none"> • Survey results analysis • Interviews
8. How effective has the execution of the Programme Implementing Partners been?	<ul style="list-style-type: none"> • Adaptive management steer provided Implementing partners (PB/SC): • Institutional delays, causes and solutions found • #interactions with senior policy makers at country and regional levels. 	<ul style="list-style-type: none"> • PB minutes • Interviews 	<ul style="list-style-type: none"> • Documentary analysis • Verification and expansion through interviews
9. How effective has the quality of support provided by UNDP been?	<ul style="list-style-type: none"> • Quality of guidance provided on procedures and quality standards • Response time to address requests for support (accessibility) • Quality of interaction with implementing partners on technical matters (progress meetings, seminars etc.) • Quality of support to coordination processes e.g. preparation for PB meetings 	<ul style="list-style-type: none"> • Interviews • Survey 	<ul style="list-style-type: none"> • Survey results analysis • Interviews
10. Is the Programme making a contribution to capacity development?	<ul style="list-style-type: none"> • Quality of contribution in terms of: problem-solution and cost analysis; learning processes; leadership, resources, accountabilities, changes in beliefs and motivations. • # and quality of trainings delivered for uptake of adaptation tools by planners • Level of engagement of key ministries in the trainings (# and technical level) • Level of engagement with policy networks regionally (e.g. # of coordinating meetings organised) • # knowledge products developed and usefulness 	<ul style="list-style-type: none"> • Progress reports • Participants lists for trainings, consultations and coordination processes • Evaluation reports for the trainings • Knowledge products • Interviews • Survey 	<ul style="list-style-type: none"> • Documentary analysis • Verification and expansion through interviews
11. How has the programme developed capacities and involvement of non-	<ul style="list-style-type: none"> • # partnerships and collaborations with non-executive institutions and civil society • # and quality of trainings provided for non-executive institutions and civil society. 	<ul style="list-style-type: none"> • Progress reports • Participants lists for 	<ul style="list-style-type: none"> • Documentary analysis

Review questions	Indicators	Information source	Methodology
executive institutions and civil society in the CC budgeting and planning process?		<ul style="list-style-type: none"> trainings, consultations and coordination processes Evaluation reports for the trainings Interviews Survey 	<ul style="list-style-type: none"> Verification and expansion through interviews
C. Efficiency of Programme implementation			
1. How effective has Programme management been in planning, organising and controlling the delivery of Programme interventions in a cost-effective manner? Is the distribution of responsibilities and reporting lines clear? Is decision-making transparent?	<ul style="list-style-type: none"> # of technical and administrative programme staff at country and regional level responsible for all main programme functions Frequency of team meetings at regional level and frequency of correspondence with country teams % rate of staff turnover PM response time for requests for support 1 principle reporting line for programme staff at the regional and country levels Quality of implementation planning process: # and types of Programme management tools used 	<ul style="list-style-type: none"> Programme document Programme CDRs Interviews 	<ul style="list-style-type: none"> Documentary analysis Verification and expansion through interviews
2. Are work-planning processes results-based? Is the programme results framework used as a management tool?.	<ul style="list-style-type: none"> Awareness of Programme targets Quality of results-based reporting (progress reporting, M&E) 	<ul style="list-style-type: none"> Progress reports Interviews 	<ul style="list-style-type: none"> Documentary analysis Verification and expansion through interviews
3. Have there been any management delays in, what were the causes and have they been resolved?	<ul style="list-style-type: none"> # weeks delay in management process 	<ul style="list-style-type: none"> interviews 	<ul style="list-style-type: none"> Interviews
4. Have there been changes to fund allocations as a result of budget revisions and have these appropriate and relevant? Does the Programme have the appropriate financial controls, including reporting and planning, that allow management to make informed decisions regarding the budget and allowed for timely flow of funds?	<ul style="list-style-type: none"> Extent of deviation between planned and actual expenditure outturns Quality of annual work planning (costed and realistic workplans) Procurement procedures clearly communicated Financial reports are submitted and clearly track quarterly work plans 	<ul style="list-style-type: none"> Programme CDRs and AWP Programme manuals/guidance notes Financial reports Interviews 	<ul style="list-style-type: none"> Documentary analysis Verification and expansion through interviews
D. Potential sustainability			
1. Are country-level implementation strategies mainstreaming into national reform processes?	<ul style="list-style-type: none"> Country level workplans are tailored to national reform programmes 	<ul style="list-style-type: none"> Country progress reports Interviews 	<ul style="list-style-type: none"> Documentary analysis Verification and expansion through interviews
2. Does the Programme have the potential to be replicated based on implementation	<ul style="list-style-type: none"> Sustainability strategy/exit plan in place Level of recurrent costs expected after completion of the Programme 	<ul style="list-style-type: none"> Progress reports Interviews 	<ul style="list-style-type: none"> Documentary analysis

Review questions	Indicators	Information source	Methodology
<p>progress so far, and is the Programme taking any steps to ensure replication?</p> <p>Are there are good practices that can be replicated and what has made them successful?</p>	<ul style="list-style-type: none"> # of partnerships initiated (evidence of network building) 	<ul style="list-style-type: none"> Cost analysis 	<ul style="list-style-type: none"> Verification and expansion through interviews
<p>3. Were the risks identified and the risk ratings applied comprehensive and appropriate? Have new/unexpected risks surfaced? What is the quality of risk management?</p>	<ul style="list-style-type: none"> Comprehensiveness of risk analysis and accuracy of risk matrix ratings Implementation progress delayed due to risks materializing Quality of implementation/work planning process 	<ul style="list-style-type: none"> Programme document risk matrix Progress reports Interviews Survey 	<ul style="list-style-type: none"> Documentary analysis Survey results analysis Verification and expansion through interviews
<p>4. Are lessons learned are being documented by the Programme team on a continual basis and shared/ transferred to appropriate parties who could learn from the Programme and potentially replicate and/or scale it in the future?</p>	<ul style="list-style-type: none"> Quality of dissemination strategy for knowledge products (# reached, in which political sphere and at what level) 	<ul style="list-style-type: none"> Interviews 	<ul style="list-style-type: none"> Interviews

Annex 4 Stakeholder interviewed and consulted

Name	Position	Organisation
Thomas Beloe	Governance and Development Effectiveness Advisor	UNDP
Jonathon Gilman	Regional Coordinator	UNDP
Paul Steele	Climate Change Advisor	UNDP
Joanne Manda	Climate Change Finance Specialist	UNDP
Kevork Baboyan	Governance and Public Finance Specialist	UNDP
Sujala Pant	Programme Specialist – Local Governance	UNDP
Siriluck Chiengwong	Regional Communications and Programme Analyst	UNDP
Daniel Klasander	First Secretary and Regional Programme Manager	SIDA
Julien Chevillard	Administrator	UNDP
Kit Nicholson	Senior Advisor Climate Change	Independent
Cheng Chinneth	Project Manager	Ministry of Women's Affairs, Cambodia
Tin Ponlok	Secretary General	Ministry of Environment, Cambodia
Chanahod Chasidpon	Planning and Policy Analyst	Office of the National Economic and Social Development Board, Thailand
Nilobol Aranyablaga	Hydrologist	Ministry of Agriculture, Thailand
Pongsakorn Tangsiamwanit	Economist	Ministry of Agriculture, Thailand
Unchureeporn Kokird	Economist	Ministry of Agriculture, Thailand
Walaiporn Prechansoontornrat	Economist	Ministry of Agriculture, Thailand
Kanching Kawsard	Expert	Ministry of Agriculture, Thailand
Mr.Prasert Sirinapaporn,	Director of Policy and Planning Section	Office of Natural Resources and Environmental Policy and Planning, Ministry of Natural Resources and Environment, Thailand
Mahbub Ahmed	Senior Secretary of Finance	Ministry of Finance, Bangladesh
Mohammed Iftekhar Hossain	Senior Assistant Secretary	Ministry of Finance, Bangladesh
Md Akram-Al-Hossain	Joint Secretary	Local Government, Bangladesh
Md Khurshid Alam	Assistant Country Director	UNDP
Tanjir Hossain	Manager	Action Aid

Mohammed Abu Eusaf	Director	Centre of Budget and Policy, University of Dhaka
Hagenf Suryo Nugroho	Head of Energy Sector Finance	Ministry of Finance, Indonesia
Lilliek Sofitri	Technical Officer	UNDP
Gopi Krishna Khanal	Joint Secretary	Ministry of Local Government, Nepal
Pichaya Sungasukh	Project Coordinator	Office of Natural Resources and Environmental Policy and Planning, Thailand
Pawin Talerngsi	Project Manager	UNDP
Sutharin Koonpol	Head of Environment Unit	UNDP
Shailaja Annamraju	Lead Economic Advisor	DFID
Bjoern Surborg		GIZ Bangladesh
Charlie Benson	Senior Disaster Risk Management (Disaster Risk Financing) Specialist Asian Development Bank	Asian Development Bank
Delaine McCullough	Communications Manager	International Budget Partnerships
Yulia Dobrolyubova	Consultant	South Pole

Stakeholders contacted via questionnaire

Cambodia	
CO counterparts - Julien Chevillard and Kalyan Keo	
Dr Tin Ponlok, Secretary General	Climate Change Department
Mr Ma Chan Sethea, Deputy Director	MOE and National Council for Green Growth
Dr Tauch Chankresna, Deputy Director,	Cooperation and Debt Management Dept, MEF:
Mr Chhun Bunnara, Deputy Director,	Operations Dept, NCDD-S:
Mr Prak Thaveak Amida, Deputy Secretary General,	MAFF (agriculture/forestry/fisheries)
Mr Chrean Pollak, Director,	Planning Dept, MPWT (public works/transport)
Ms Chreng Chinneth	Deputy Director, Women Empowerment Dept, MOWA (Women's Affair)
Thailand	
Co counterpart: Sutharin Koonphol	
1. Bureau of Budget, Office of Prime Minister 2. National Economics and Social Development Board, Office of Prime Minister 3. Office of Natural Resources and Environmental Policy and Planning, Ministry of Natural Resources and Environment	

4.Office of Agricultural Economics, Ministry of Agriculture and Cooperatives (MOAC) – they serve as policy and planning body of MOAC 5.Royal Irrigation Department, MOAC 6.Land Development Department, MOAC

Note: We are not aware whether the questionnaire was sent out or to whom it was sent out in Bangladesh and Indonesia. 9 responses were received from Thailand and Cambodia including 2 responses from UNDP country offices..

Annex 5: Documents analysed for the MTR

Document name	Author/Organization	Dates
Programme design/Background to Programme		
Bangkok Call to Action: Realizing Development Effectiveness: Making the Most of Climate Change Finance	Asia-Pacific Climate Change Finance and Aid Effectiveness	2010
Climate Change Expenditure Review Sourcebook: Concept Note	World Bank	201?
Climate Change Public Expenditure and Institutional Review (CPEIR) Bangladesh	Government of Bangladesh	2011
Climate Change Public Expenditure and Institutional Review (CPEIR): Cambodia	Government of Cambodia	2012
Climate Change Public Expenditure and Institutional Review (CPEIR): Indonesia	Government of Indonesia	2013
Climate Change Public Expenditure and Institutional Review (CPEIR): Thailand	Government of Thailand	2012
Climate Change Public Expenditure and Institutional Review Sourcebook	World Bank Group	2014
Climate Fiscal Frameworks: Guidance for improving the effectiveness of climate finance at the country level	CDDE	2011
CPEIR in the Asia Pacific: What have we learnt	UNDP	2012
Financing Local Response to Climate Change: Implications of Decentralization on Responses to Climate Change	CDDE, UNEP and UNDP	201?
Fiscal Policy to Mitigate Change: A Guide for Policy Makers	IMF	2012
Indonesia's First Mitigation Fiscal Framework In support of the National Action Plan to Reduce Greenhouse Gas Emissions	Government of Indonesia	2012
Making Sense of Climate Finance Linking public finance and national climate change policy in the Asia-Pacific region	CDDE and UNDP	201?
Making the most of Climate Change Financing report	CDDE	2010
Mapping of knowledge management initiatives related to climate change finance in the Asia-Pacific region	Bird, Neil	201?
National Climate Funds: Making Sense of the Asia Pacific Experience	UNDP	2012
Presentation on Strengthening the Governance of Climate Change Finance to benefit the poor and vulnerable in Asia and the Pacific	UNDP	2014
Review of Climate Change Adaptation and Mitigation Methods	Mekong River Commission	2010

Roadmap for a Country-led approach Asia-Pacific Climate Change Finance and Development Effectiveness: from the Asia-Pacific dialogue on Climate Change Finance and Development Effectiveness 2011	CDDE	2011
The Climate Public Expenditure and Institutional Review (CPEIR): a methodology to review climate policy, institutions and expenditure	ODI and UNDP	2012
Workshop summary from CPEIR dialogue: Past Experience and the way forward (10-12 September 2012)	UNDP	2012
Workshop summary from the Asia-Pacific Dialogue on Implications of Local Governance and decentralisation for the effective delivery of finance in response to Climate Change at local level (30-31 October 2012, Bangkok).	UNDP	2012
Programme –related documents		
Programme document for Strengthening the Governance of Climate Change Finance to benefit the poor and vulnerable in Asia and the Pacific	SIDA and UNDP	29 October 2012
Annual progress report	UNDP APRC	2013
Annual progress report	UNDP APRC	Draft: October 2014
Work Plan June 2013 – July 2014: UNDP Programme Strengthening the Governance of Climate Change Finance to benefit the poor and vulnerable (2012-15)	UNDP	2013-2014
Memo from UNDP APRC (Tom Beloe) to SIDA Senior Programme Manager	UNDP	Jan 2013
Communications strategy 2013-2016	UNDP	Jan 2013
Oversight mission reports/emails	UNDP	Various 2013-2104
Cambodia Country Gender Assessment (2008-2013)	UNDP	Nov 2013
Mainstreaming climate change resilience into development planning in Cambodia	IIED	April 2013
Improving the efficiency and effectiveness of climate public expenditure under the MOARC and agricultural development plan (2012-2016)	UNDP	Oct 2013
Cambodia national climate change M&E workshop	IIED	Dec 2013
Ready for climate finance: GIZ's approach to making climate finance work: building on climate expertise and good financial governance.	GIZ	2013
Climate finance readiness programme: early action for ambitious goals.	GIZ	2013
ToR for gender economist ToR for poverty expert	UNDP	Nov-Dec 2013

Bangladesh ToR for social protection and climate change	UNDP	July, year?
Thailand ToRs: Agricultural planning and budgeting specialist Senior adviser on climate change planning and budgeting	UNDP	2014
Bangladesh Country Programme Review	SIDA and UNDP	2014
Cambodia Country Programme Review	SIDA and UNDP	2014
Indonesia Country Programme Review	SIDA and UNDP	2014
Thailand Country Programme Review	SIDA and UNDP	2014
The governance of climate change finance: an initial training needs assessment for Cambodia The governance of climate change finance: an initial training needs assessment for Thailand	UNITAR	March 2014
Country climate fiscal/financing frameworks developed under the programme - <u>Cambodia CFF</u> <u>Bangladesh</u> national fiscal framework	Cambodia National Climate Change Committee	March 2014
Adaptive social protection in Cambodia strategy paper	UNDP	Aug 2014
Adaptive social protection in Cambodia strategy paper: summary report and follow-up actions	UNDP	Aug 2014
Cambodia: Using the climate change financing framework: Briefing note for the Ministry of Economy and Finance	UNDP	Oct 2014
Cambodia Climate Change Financing Framework: Policy brief for MAFF	UNDP	Oct 2014
Developing a national framework for to track adaptation and measure development in Cambodia	IIED	Oct 2014
Supporting countries to integrate climate change into planning and budgeting: a UNDP approach, Draft for consultation	UNDP	Oct 2014
Promoting country systems for the effective access, management and access of public climate change finance: a framework for supporting readiness.	UNDP	Nov 2014
Skills development for climate change policy and public finance: a clinic in developing a regional approach to skills development, Summary note.	UNITAR	Nov 2014
Tracking climate change financing: Learning from gender-responsive budgeting	International Budget Partnership	Nov 2014
Output 3 knowledge products		

-Guidance document for integrating poverty into CC programming	UNDP	1 December 2014
-Regional CPEIR lessons learnt paper	UNDP	27 Oct 2014
-		
-A methodological note outlining the benefits approach employed in Cambodia.	UNDP	June 2014
Incorporating Gender and Poverty Analysis in the Climate Public Expenditure and Institutional Review: A Methodological Note	UNDP	1 October 2014
Revised CPEIR Methodological Note	UNDP	26 Nov 2014
Output 3: Regional institutional capacity assessment	UNDP APRC	2012 (n.d)
List of contracts and procurements		
List of related projects/initiatives contributing to project objectives started after the programme initiation (mobilized & leveraged funding) & programme documents.	IBFCR UNCDF-LOCAL Logframe EU Action Document for IBFCR	July 2014 Oct 2014

Annex 6: Questionnaires

Mid-term Review: Programme for Strengthening the Governance of Climate Finance

Thank you for participating in this survey. It should not take more than 20 minutes of your time to complete. If you feel a question is not relevant to you as a stakeholder kindly indicate NA below the question. The responses provided by you are totally confidential. No attribution of individual statements will be included in the report prepared by the consultancy team.

The Programme

The “*Strengthening the governance of Climate Change Finance to benefit the poor and vulnerable*” regional program supported by SIDA and implemented by UNDP has been working together with the Poverty Environment initiative (PEI) and the UNDP Bangladesh Country Office to support the Government of Bangladesh in developing of the climate fiscal framework (CFF) and follow-on work to design and finalize the Inclusive Budgeting and Financing for Climate Resilience (IBFCR) program.

Your details

Name:

Organisation:

Title:

Role on the project (if any):

Would you be open to a follow-up discussion by skype?

A. Concept design and relevance

1. Is the Programme strategy relevant to country policy processes including public financial management reform processes? Has it been useful and how?

2. Is the Programme promoting ownership and meeting the needs of stakeholders? Is it addressing country priorities?

3. Were the perspectives of those who would be affected by project design, namely those who would be affected taken into account during project design processes?

You may wish to target your answer around the following issues:

- A range of stakeholder views were considered in the programme design (e.g. methodology, risk assessment)
- Votes of support from senior policy makers

4. Do you think that lessons from other relevant projects were properly incorporated into the Project design?

5. Is there support for the Programme objective among senior policy-makers, if so which ministries?

B. Effectiveness of the approach

6. Where do you feel the Programme has had most success? Which areas would you like to see the Programme provide more support? You may wish to target your answer around the following issues:

- Programme activities that have led to institutional gains (e.g. new institutional workings; adoption of systems, changing planning behaviours etc.)

7. Has been an advantage of having the technical support coming from a regional programme? Where else could technical advice usefully come from?

8. What have been the main barriers to implementation progress? How could the Programme have addressed these barriers more effectively?

9. Is the Programme promoting partnerships in-country (eg technical institutions, NGOs, community based organisations)? If so, please provide information.

10. Are there efficient communication processes in place between stakeholders and partners of the Programme? For example, Is communication regular and effective? Are there key stakeholders left out of communication? Are there feedback mechanisms when communication is received? How could this be improved?

11. How effective has the quality of implementation support provided by regional and CO UNDP been? For example the quality of guidance provided, response time to address requests for support, quality of support to coordination processes. How could this be improved?

12. Is the Programme making a contribution to capacity development in your country, and in what ways? For example: trainings, mentoring; working through institutions and networks; usefulness of the knowledge products developed. How could this be improved?

C. Potential sustainability

13. Are there any good practices that can be replicated and what has made them successful?

Any other information

Please send your responses to Jessica Troni and Liv Bjornestad:

Jessica@ccanalytics.co.za

livbjornestad@gmail.com

Annex 7 Timing and Inputs for the MTR

Activity	Estimated Working Days of MTR Team	Timeframe for Activity	By Whom
Start of MTR: 20 October			
Detailed desk review of background documents and financial accounts	Consultant 1: 4 days Consultant 2: 3 days	October- November	MTR Team
Preparation and submission of inception report	Consultant 1: 4 day Consultant 2: 1 day	By 31 October	MTR Team
Comments on inception report	N/A	Within one week of submission	UNDP and Sweden; MTR Advisory Group
Submission of Final Inception Report	Consultant 1: 1 day	Early November	
Data collection: -Field Mission 1: interviews with stakeholders and partners -discussions at regional CRB workshop (5-7 November)	Consultant 1: 5 days Consultant 2: 8 days	3-7 November 3- 12 November	MTR Team
MTR questions sent to Bangladesh and Indonesia country stakeholders. Follow up with skype calls for the most important responses	Consultant 1: 2 days Consultant 2: 1 days	12-19 November	MTR team
Field Mission 2: Cambodia : interviews with stakeholders and partners + Utilisation focused review	Consultant 1: 5 days	17-21 November	MTR team
Preparation and submission of draft MTR report	Consultant 1: 4 days Consultant 2: 4 days	By 10 December	MTR Team
Comments on draft report	N/A	Within one week of submission	UNDP and Sweden; MTR Advisory Group
Preparation and submission of final MTR report	Consultant 1: 2 days Consultant 2: 2 days	By 22 December	MTR Team
Total Working Days for MTR Team	Consultant 1 Total: 27 working days Consultant 2 Total: 18 working days		

Annex 8 Terms of reference



Empowered lives.
Resilient nations.

TERMS OF REFERENCE FOR INDIVIDUAL CONTRACT

POST TITLE:	International Consultant: Mid-Term Review (MTR) Team Lead
AGENCY/PROJECT NAME:	Strengthening the Governance of Climate Change Finance to Benefit the Poor and Vulnerable in Asia and the Pacific
COUNTRY OF ASSIGNMENT:	Home-based, with travel to Thailand
TIMEFRAME OF ASSIGNMENT:	1 October – 5 December 2014 (up to 20 working days)

1) GENERAL BACKGROUND

Strengthening the Governance of Climate Change Finance to Benefit the Poor and Vulnerable in Asia and the Pacific (2012-2016) is a regional project implemented by UNDP and supported by Government of Sweden. It aims to strengthen fiscal policies and budgeting processes to ensure that responding to climate change is at the center of public investment planning in countries of Asia and the Pacific. It aims, over the course of its three year timeframe, to increase the quantity and quality of climate related expenditures managed at the country level, and improve the delivery of climate change finance to reach the poor and vulnerable.

Working regionally with focused action in four pilot countries, Bangladesh, Indonesia, Thailand, and Cambodia, the project aims to identify and support innovation in the area of linking climate policy and public finance. The project contributes to the replication of best practice across the four countries and a broader sharing of lessons learnt across the Asia-Pacific region. Finally, the project uses regional networks to strengthen international discussion over the channeling of climate finance to the country level. Specific outputs are as follows:

Output 1: Fiscal policies are formulated and institutions are strengthened to facilitate the delivery of climate change finance to the poor in countries of Asia and the Pacific (ENABLING PLANNING AND BUDGETING)

Output 2: Government budgets delivering more climate change programs that reach the poor and vulnerable (ENABLING DELIVERY)

Output 3: Capacities of regional institutions strengthened to provide products, services and skills that better meet the climate finance needs of Asia and the Pacific (SHARING)

The project document provisions for the MTR: *An independent mid-term evaluation and review will be jointly organized by SIDA and UNDP at the end of the 18th month. The performance of the program will be assessed against the indicators presented in the logical framework.* It should also be noted that this project is being implemented in conjunction with a DFID-supported project that similarly features a regional component as well as support to other selected countries in the region. The MTR will seek to promote synergies between the two projects.

Against this backdrop, this Terms of Reference outlines the objectives, approach, and expected results of the Mid-Term Review (MTR), as well as the specific scope of work for the MTR Team Lead.

2) OBJECTIVES OF THE ASSIGNMENT

The Mid-Term Review (MTR) offers the opportunity to identify potential project design problems, assess progress towards the achievement of objectives, identify and document lessons learned, and make recommendations regarding specific actions that might be taken to improve the project implementation and approach. The MTR is expected to serve as a means of validating or filling the gaps in the initial assessment of relevance, effectiveness and efficiency obtained from monitoring, and to allow course correction as necessary. To this end, the MTR will serve to:

- Strengthen the management and monitoring functions of the project;
- Enhance the likelihood of achievement of the project objectives through analyzing project strengths and weaknesses and suggesting measures for improvement;
- Contribute to organizational and development learning;
- Enable informed decision-making;
- Assess the sustainability of the project's interventions;
- Create the basis of replication of successful project results achieved so far.

In addition, and of particular importance, **the MTR process will create a forum for dialogue and focused consideration, among the project's partners and stakeholders**, of the progress made thus far on achieving the objectives, but also on the overall approach to project implementation. This recognizes the value of utilization-focused reviews, highlighted in SIDA's evaluation guidelines⁷, which emphasizes stakeholder participation and ownership in the conduct of program reviews.

3) SCOPE OF WORK

This section on Scope of Work is organized in two parts:

- I. *General scope of work of the Mid-Term Review process*
- II. *Specific scope of work for the MTR Team Lead Consultant (one of two consultants who will be hired to conduct the MTR)*

I. Scope of Work for the Mid-Term Review Process

The MTR will cover a number of aspects of the project. These will include the following: relevance of the project, quality of project design, efficiency of implementation, effectiveness to date, partnership strategy, and potential sustainability of project interventions. It will look at the achievements of the project with respect to the relevance of its objectives and the attainability of its outputs. The MTR will consider the project design, including whether the assumptions and risks remain valid, noting external factors beyond the control of the project that have affected it negatively or positively to date.

The MTR will consider the challenges and achievements of the project since its inception. In particular, it should focus on the following aspects. *In all areas of the review, there should be an emphasis on considering the project's approach to ensuring climate change finance reaches the poor and vulnerable:*

The MTR should review the project's conceptual design and relevance, and whether the outcomes, indicators, targets, risks and assumptions that were agreed upon are still relevant, with attention to:

⁷ See [SIDA's Evaluation Guidelines & Evaluation Plan 2010](#), The Secretariat for Evaluation (UTV), page 4.

- Whether the project responds to development priorities at the regional and national level
- Whether the project is promoting ownership and meeting the needs of stakeholders

The MTR should review the *efficiency of project implementation*, with attention to:

- Whether the project is efficient in planning, organizing, and controlling the delivery of project interventions in a cost-effective manner
- Whether there is efficiency in the coordination and communication processes between stakeholders and partners of the project

The MTR should review the *effectiveness of the approach* used to produce the project results:

- Whether the management structure of the project, the distribution of responsibilities, and coordination mechanisms are appropriate for the achievement of project objectives
- Whether there is a sound partnership strategy and synergies with other similar projects; identify opportunities for stronger substantive partnerships for the remainder of the project duration

The MTR should review the *potential sustainability* - the extent to which, based on the project's strategy, the benefits of the project will continue after it has come to an end, including:

- Whether the project is making a contribution to capacity development
- Whether the project has the potential to be replicated based on implementation progress so far, and whether any steps are being taken by the project to do so; whether there are specific good practices that can be replicated and what has made them successful

Given that this is a Mid-Term Review, the emphasis will be on identifying lessons learnt, with a view to adjusting the project design and implementation accordingly. The MTR will therefore make recommendations for the way forward, based on progress thus far.

Findings and lessons learned:

- Outline, as logically and objectively as possible, findings and conclusions, **with an emphasis on findings related to the project's approach to incorporating poverty and gender issues**
- Highlight the major problems, shortcomings, and weaknesses in order of importance

Recommendations:

- Present recommendations for corrective actions; recommendations should be objective, realistic, practical, understandable and forward looking
- Link the recommendations logically to the findings
- Recommend a realistic duration for implementation of remaining project activities
- Suggest new project activities for the remaining part of project implementation, as well as perspectives on a second phase of the project

MTR Methodology and Approach

Considerations for the MTR approach are outlined below; however it should be noted that the MTR team (two international consultants) is responsible for revising the approach as necessary. The final approach proposed by the MTR team should take into account the data sources and tools that will likely yield the most reliable and valid information. The final decision about the specific design and methods for the MTR should emerge from consultations among UNDP and Government of Sweden, the MTR Advisory Group (see below), the MTR team, and key

stakeholders about what is appropriate and feasible to meet the MTR objectives and answer the review questions, given limitations of budget, time and extant data.

A key aspect of the MTR approach will be the convening of an **MTR Advisory Group**, which will be asked to provide inputs on the design of the MTR, the objectives, as well as the findings and deliverables. The final composition of the Advisory Group will be decided during the preparation phase but is likely to include representatives from:

- UNDP
- Government of Sweden
- DFID
- Government of Cambodia
- Civil Society

The MTR may be undertaken using a combination of techniques and data sources, including:

- Desk review of all relevant project documentation
- Consultations and interviews with stakeholders and partners, including at the planned regional workshop on Climate Responsive Budgeting [5-7 November, in Bangkok]
- Questionnaires
- Other methods as appropriate and feasible

All relevant documentation will be made available by UNDP and Government of Sweden. Similarly, the MTR team will be provided with contact information and introductions to key stakeholders and partners. The MTR team will be able to conduct some interviews in person. However, much of the data collection will need to take place virtually- through telephone, online questionnaires, email, and other methods.

II. Scope of Work of the Mid-Term Review Lead Consultant

The MTR will be conducted by a team of two international consultants:

- **[this ToR] Consultant 1: MTR Team Lead/M&E Specialist/Climate Change Specialist**
- [separate ToR] Consultant 2: MTR Team Member/Governance and PFM Specialist

Overall responsibilities lie with the MTR Team Lead, who will provide guidance and leadership on conducting the MTR and on preparing/revising the deliverables. The MTR Team Lead will have expertise in results-based evaluation methodologies. S/He will also serve as the Climate Change expert, providing the technical expertise and leading on that specific area and drafting relevant parts of the MTR report.

Specific responsibilities of the MTR Team Lead include:

- Leading the documentation review and framing of MTR questions
- Leading the MTR team in planning and execution of the assignment
- Managing the division of labor and supervising the work of the other consultant [MTR Team Member]
- Incorporating the use of best practice with respect to M&E and results-based evaluation methodologies
- Leading interviews and consultations, as well as any debriefings to the stakeholders/partners
- Leading the drafting and finalization/quality control of the inception report and the MTR report

4) DURATION OF ASSIGNMENT, DUTY STATION AND EXPECTED PLACES OF TRAVEL

This assignment will take place between 1st October and 5th December 2014 and is output-based. Travel to Thailand is required to hold consultations during the Climate Responsive Budgeting Workshop on 5-7 November. Other work will be home-based. Travel will be facilitated by UNDP APRC or the Consultant as per UNDP's travel rules and regulations.

Timeframe:

- Recruitment of MTR consultants and preparatory phase: By early October, 2014
- Desk review and inception report: By 15th October, 2014
- Consultations during Climate Responsive Budgeting workshop: 5-7 November, 2014
- Draft MTR report: 17th November, 2014
- Final MTR report: 5th December, 2014

The MTR is expected to take a total of 35 working days: 20 working days for Consultant 1 (MTR Team Lead) and 15 working days for Consultant 2 (MTR Team Member), as follows:

Activity	Estimated Working Days of MTR Team	Timeframe for Activity	By Whom
Briefings to MTR team	Consultant 1: 1 day Consultant 2: 1 day	First week of October	UNDP and Sweden
Desk review of resources and documents	Consultant 1: 2 days Consultant 2: 2 days	Second week of October	MTR Team
Preparation and submission of inception report	Consultant 1: 1 day Consultant 2: 1 day	By 15 th October	MTR Team
Comments on inception report	N/A	Within one week of submission	UNDP and Sweden; MTR Advisory Group
Data collection: -interviews with stakeholders and partners -discussions at regional CRB workshop (5-7 November)	Consultant 1: 10 days Consultant 2: 5 days	During second half of October and early November	MTR Team
Validation of preliminary findings with stakeholders through circulation of initial findings for comments, and other types of feedback mechanisms	Consultant 1: 1 day Consultant 2: 1 day	By mid-November	MTR Team
Preparation and submission of draft MTR report	Consultant 1: 3 days Consultant 2: 3 days	By 17 th November	MTR Team
Comments on draft report	N/A	Within one week of submission	UNDP and Sweden; MTR Advisory Group
Preparation and submission of final MTR report	Consultant 1: 2 days Consultant 2: 2 days	By 5 th December	MTR Team
Total Working Days for MTR Team	Consultant 1 Total: 20 working days Consultant 2 Total: 15 working days		

5) FINAL PRODUCTS

The final products for this assignment are as follows:

Inception report (by 15th October, 2014): The inception report should be prepared by the MTR team before going into the full-fledged MTR exercise. It should detail the reviewers' understanding of what is being reviewed and why, showing how each area of inquiry will be answered by way of: proposed methods; proposed sources of data; and data collection procedures. This information should be provided through the preparation of an MTR Matrix, which can be adapted from the sample in Annex I.

The inception report should include a proposed schedule of tasks, activities and deliverables, building on what has been provisionally proposed in this ToR. The inception report should provide UNDP/Government of Sweden and the MTR team with an opportunity to verify that they share the same understanding about the MTR and clarify any misunderstandings at the outset.

Draft MTR report (by 17th November, 2014): UNDP and Government of Sweden will review the draft MTR report to ensure that it meets the required quality standards and covers all agreed components and contents of the MTR. Detailed comments and feedback on the draft report will be provided to the MTR team, and discussions may be held to provide clarifications as necessary. The draft report will also be shared with stakeholders and other partners, including DFID, for additional feedback and inputs.

Final MTR report (by 5th December, 2014): The final report will be produced by the MTR team based on feedback received on the draft report. The final report will be shared with stakeholders and other partners.

6) PROVISION OF MONITORING AND PROGRESS CONTROLS

The Consultant will work under the supervision of the UNDP APRC Governance and Development Effectiveness Advisor, who will consult closely with Government of Sweden counterparts, as well as seek inputs from DFID counterparts. UNDP and Government of Sweden will also have the role of convening an MTR Advisory Group and of coordinating interaction with the Advisory Group, including sharing of MTR deliverables and organizing discussions with the Group.

Although UNDP is administratively responsible for the Mid-Term Review, UNDP shall not interfere with analysis and reporting, except where requested and at opportunities for comments/feedback. UNDP will share the final version of the MTR report with the national stakeholder agencies and all partners of the project.

7) TEAM COMPOSITION, DEGREE OF EXPERTISE AND QUALIFICATIONS

The MTR team will be composed of two independent consultants not involved with the formulation, appraisal, approval and/or implementation of daily management of the project. Both UNDP and Government of Sweden will have the opportunity to weigh in on the selection of the consultants and provide inputs to the required qualifications and competencies. UNDP will oversee the administrative process of recruitment and contracting, with both UNDP and Government of Sweden being given the option of participating in each stage of the selection, including short-listing, reviewing financial proposals, interview panels, etc.

The following are required qualifications for MTR Team Lead (see separate ToR for MTR Team Member).

Education:

- Master's degree in development studies, environmental science, environmental economics, or other relevant field
- Academic/professional background in M&E, statistics, RBM, or program management is an asset

Experience:

- At least 10 years of relevant work experience in areas of climate change and environmental policy
- At least 5 years of proven experience in conducting review/evaluation of development programs/projects in areas of climate change or environmental management
- Experience with result-based management, evaluation methodologies and program/project monitoring approaches, **including gender and poverty-sensitive evaluations**
- Experience leading review/evaluation teams required
- Project review/evaluation experience within the UN System considered an asset
- Experience working in Asia is preferred

Functional competencies:

- Strong interpersonal skills, communication and diplomatic skills, ability to lead a team
- Openness to change and ability to receive and integrate feedback
- Strong analytical, reporting and writing abilities
- Excellent speaking and presentation skills

Language requirements:

- Excellent spoken and written English language skills required
- Knowledge of languages of the program countries an asset, but not required

8) REVIEW TIME REQUIRED

10 days after submission of each deliverable.

Payment Schedule:

Payment will be made after satisfactory acceptance and certification of the deliverables and in accordance with UNDP procedures:

- on submission of MTR inception report – 20% of the total value of the contract
- on submission of draft MTR report – 30% of the total value of the contract
- on acceptance of final MTR report – 50% of the total value of the contract

9) CONSULTANT PRESENCE REQUIRED ON DUTY STATION/UNDP PREMISES

