

UK PACT

Partnering for Accelerated Climate Transitions

Annual Monitoring, Evaluation
and Learning Report (2021-22)

December 2022



Foreign, Commonwealth
& Development Office



Department for
Business, Energy
& Industrial Strategy

1
2
3
4
5
6

Introduction

UK PACT Results

Country Case Studies

Gender Equality and Social Inclusion
(GESI) Results

Evaluation

Value for Money (VfM)

Contents

1

Introduction

Introduction

Mission and vision:

- Established in 2018, UK PACT is UK ICF's **flagship technical assistance programme** for climate mitigation.
- Works bilaterally with **developing countries with high emissions reduction potential** to achieve the long-term goal of the 2015 Paris Agreement
- Working with countries to **improve the capacity and capability** of key institutions to reduce emissions and **foster inclusive economic growth**

We achieve this by:

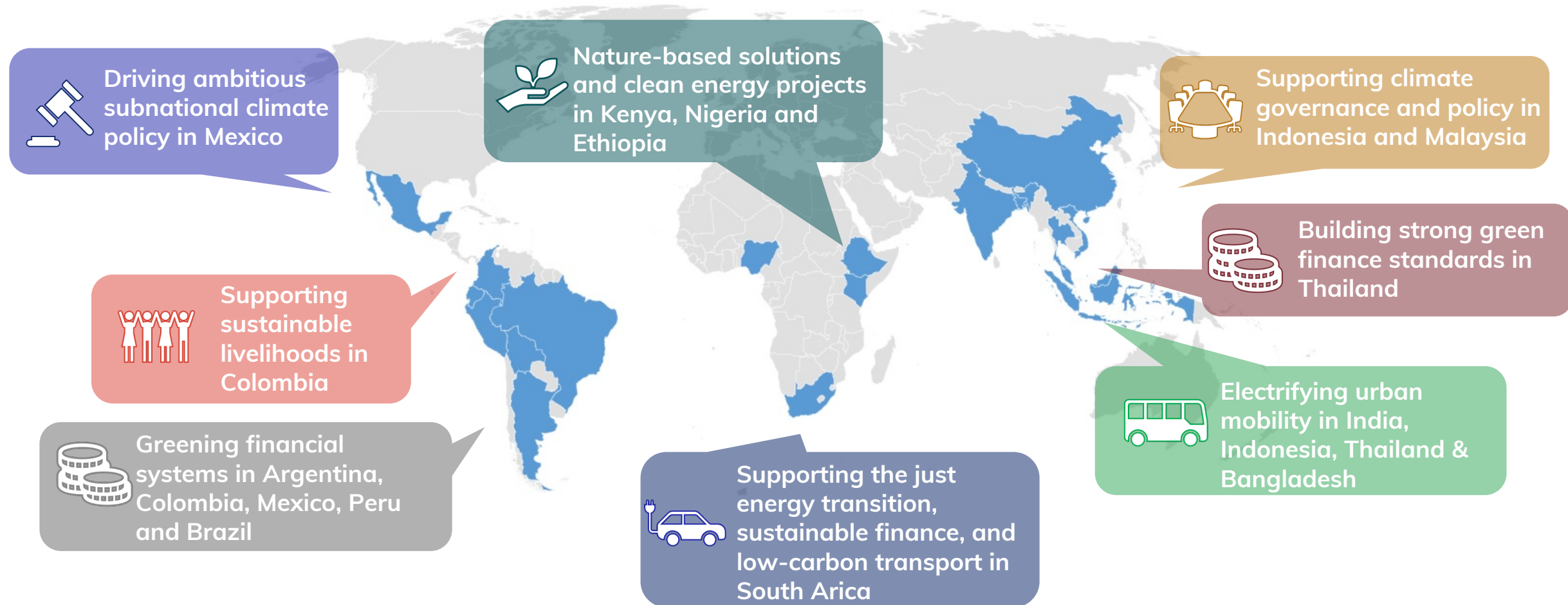
- Being demand-led, based on partner countries' needs.
- Having a hybrid delivery model, matching overseas staff that provide contextual insight, with a central team linked to domestic policy teams
- Leveraging UK private and public sector domestic expertise
- Building learning into the programme and adjusting in response

Funding and delivery:

- Jointly funded and governed between FCDO and BEIS, while FCDO leads on management and delivery.
- Currently **delivering c.120 projects and skill shares across 16 countries.**
- The programme is “sector agnostic” but most projects are in 6 sectors: green finance, energy, forest and land use, sustainable livelihoods, low-carbon transport, and climate policy

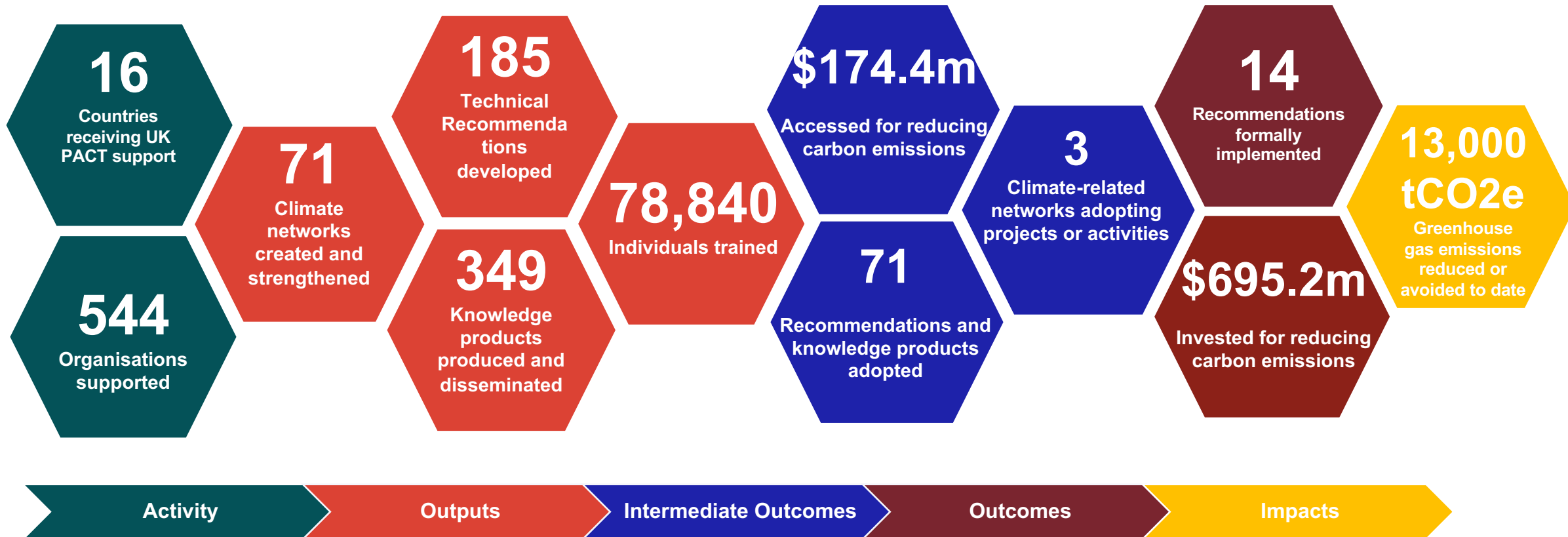
UK PACT footprint in November 2022

UK PACT is delivering c.120 projects and skill shares across 16 countries in green finance, energy, forest and land use, low-carbon transport, and climate policy.



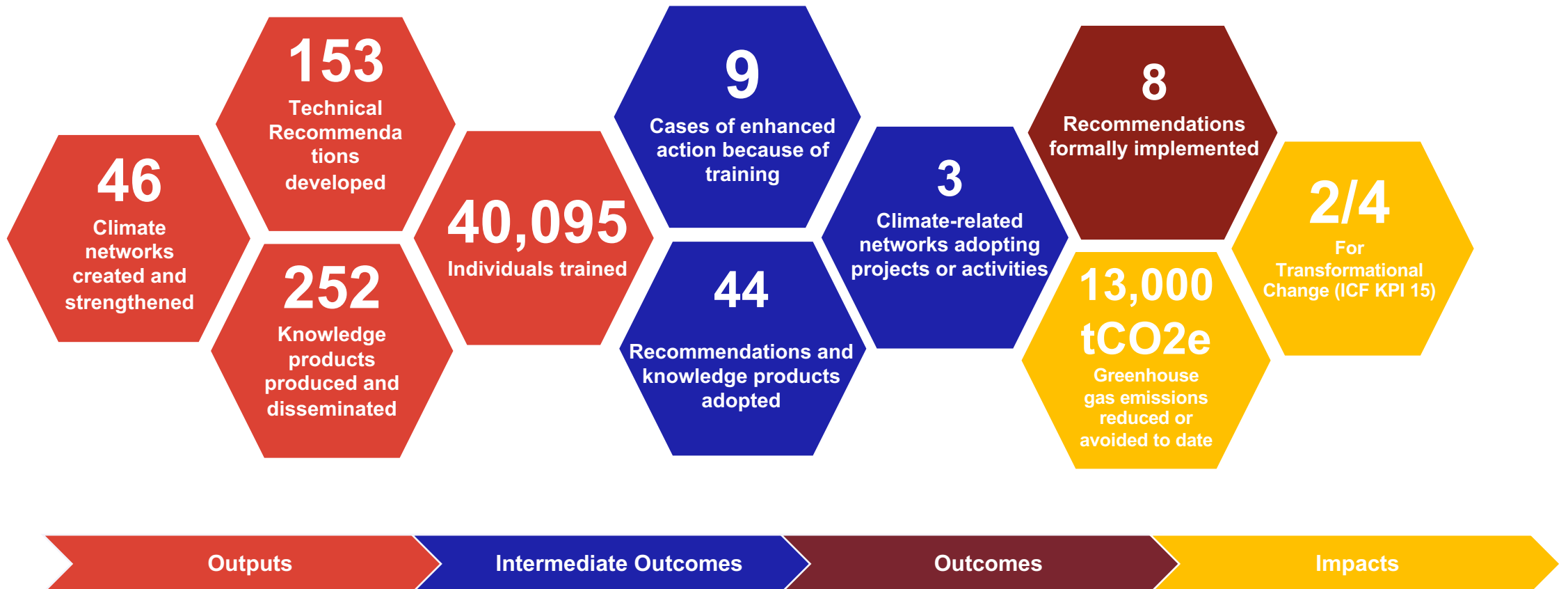
Results achieved to date

From July 2018-March 2022, UK PACT has delivered:



Results achieved this reporting year April 2021-March 2022

From April 2021-March 2022, UK PACT has delivered:

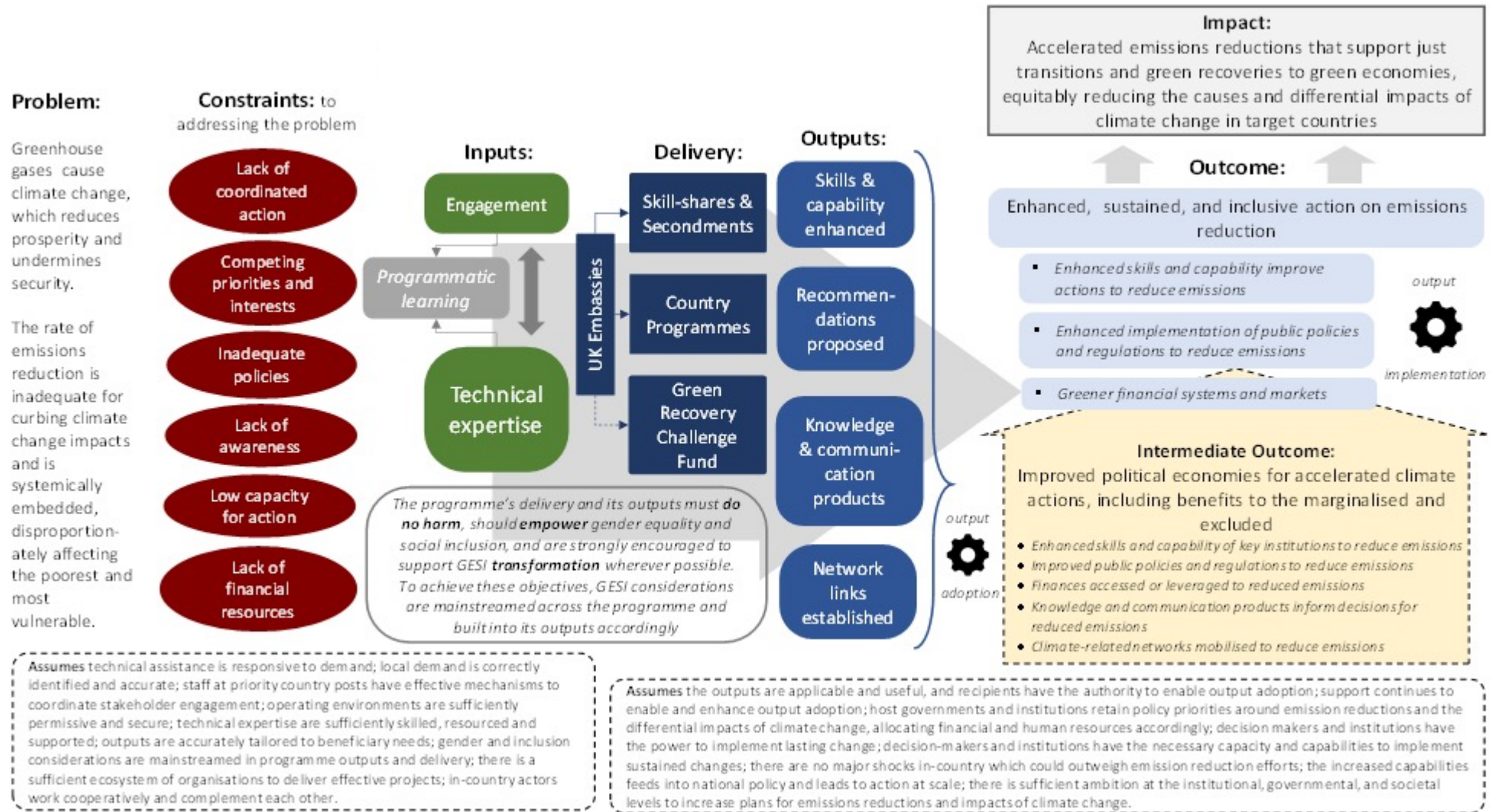


2

**UK PACT
Results**

UK PACT Theory of Change (ToC)

The ToC identifies the problems the programme aims to address, the solutions it proposes to address it, and the objectives it aims to achieve in doing so.



UK PACT Outputs



The table below shows UK PACT achieved outputs as of March 2022 (programme lifetime), as well as results achieved in the last reporting year (April 2021-March 2022). Output 1.3 indicates the average score given in the post-training feedback surveys to the ‘utility of training’ question.

Logframe indicator	Total expected (lifetime)	Total achieved (to date)	Achieved from Apr-21 to Mar-22
Output 1: Skills enhanced			
1.1. Key individuals trained	:	70,840	40,095
Key females trained	:	28,269	13,380
Key males trained	:	32,744	19,209
Key people trained for which gender was not recorded	:	9,827	7,506
1.2. Person days of training	:	194,152	163,071
1.3. Useful training	n/a	:	4.6 / 5
Output 2: Recommendations proposed			
2.1. Recommendations proposed for relevant policies, legislation, and regulations on climate change mitigation	115	109	84
2.2. Recommendations proposed for other relevant actions to reduce GHG emissions	83	75	62
2.3. Project applications or tools developed to support the access of (existing or new) funds for reducing carbon emissions	34	30	17
Output 3: Knowledge generated and disseminated			
3.1. Knowledge products developed	229	222	157
3.2. Communication products disseminated	118	127	93
Output 4: Networks created and strengthened			
4.1. Number of climate-related networks	74	71	46

UK PACT Intermediate Outcomes



The table below shows UK PACT achieved intermediate outcomes as of March 2022 (programme lifetime), as well as results achieved in the last reporting year (April 2021-March 2022). Intermediate outcomes are expected to take longer to be realised, meaning results achieved are expected to increase as the programme continues its delivery.

Logframe indicator	Total expected (lifetime)	Total achieved (to date)	Achieved from Apr-21 to Mar-22
Intermediate outcomes			
1. Enhanced action because of training	173	25	9
2. Adoption of public policy recommendations for climate change mitigation	144	29	14
3. Adoption of recommendations on relevant actions to reduce GHG emissions	120	26	17
4. Finance accessed or leveraged for reducing carbon emissions	:	US\$ 174.4 million	Not measured
5. Knowledge and communication products adopted	126	16	12
6. Climate-related networks adopt projects and/or activities	35	3	3
7. GESI-enabling outputs adopted	n/a	36	36

UK PACT Outcomes



The table below shows UK PACT achieved outcomes as of March 2022 (programme lifetime), as well as results achieved in the last reporting year (April 2021-March 2022). Intermediate outcomes are expected to take longer to be realised, meaning results achieved are expected to increase as the programme continues its delivery.

Logframe indicator	Total expected (lifetime)	Total achieved (to date)	Achieved from Apr-21 to Mar-22
Outcomes			
1. Increased capacity for relevant organisations (ICF KPI 14)	n/a	:	:
2. Recommendations implemented for reduced carbon emissions	188	14	8
3. GESI-enabling outputs implemented	n/a	2	2
4. Finances invested in support of reduced carbon emissions	:	US\$ 695.2m	Not measured

An overview of Recommendations implemented for reduced carbon emissions 21-22:




- **Mexico:** Update of Mexico City’s Law on Climate Change Adaptation, Mitigation and Sustainable Development
- **Colombia:** Implementation of Green Taxonomy guidelines
- **Nigeria:** Implementation of Nigeria’s Climate Change Bill
- **South Africa:** Increased emissions reductions target adopted by the President’s Climate Commission (PCC)
- **China:** Improved policy to scale up and deepen green bond market*
- **Brazil:** Implementation of recommendations by development banks (BNDES and BDMG) for informed decision-making on low-carbon investments
- **Brazil:** Implementation of recommendations on transition to low-carbon investment portfolio for the Brazilian Development Bank **Brazil:** Deployment of a system prototype for the new digital vessel arrival and departure process in the Port of Santos

*No longer ODA Eligible country for UK PACT

UK PACT Impacts



At the impact level, UK PACT reported against two portfolio-level Key Performance Indicators (KPIs) in the 2021-2022 reporting year:

Impact level indicator	2021-2022 result
GHG emissions reduced or avoided (Technical Assistance KPI 5)	<p>12,976.16 tCO2e reduced or avoided as a result of UK PACT technical assistance to date. Due to the nature of capacity building activities, the majority of our indirect support of emissions reductions is challenging to quantify. However, five projects have calculated direct contribution to emissions reductions, including supporting the introduction of electric vehicles, setting up active mobility, the installation of solar panels, and supporting the introduction of smart agriculture practices. This is equivalent to:</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>1300 average annual CO2 emissions for British person</p> </div> <div style="text-align: center;">  <p>7600 cars off the road in the UK</p> </div> <div style="text-align: center;">  <p>1000 flights from London to New Delhi</p> </div> </div>
Likelihood of Transformational Change (KPI 15)	<p>UK PACT scored 2/4 'early evidence suggests Transformational Change is likely' in the 21-22 Transformational Change ICF Key Performance Indicator 15. This assessment is based on a beneficiary feedback survey, country political economy analysis, IP feedback survey, and interviews with programme staff. This is in line with expectations for ICF programmes in year 3 of delivery.</p> <p>The 21-22 assessment looked at China*, Colombia, Mexico and South Africa, all countries where activities have been running for over 1.5 years. All four countries analysed showed some early evidence suggesting transformation is likely. UK PACT has continued to share evidence of effectiveness. Strong evidence of knowledge and communication products used was mainly available in Colombia and Mexico.</p>

3

Country Case Studies

Indonesia



In Indonesia, UK PACT has supported projects in: low-carbon cities and transport, helping cities transition to cleaner and more inclusive transport systems; energy efficiency focusing on public buildings, and capacity building; carbon pricing helping Indonesia develop their domestic carbon tax and market instruments, and; climate governance.

Intermediate Outcome

RESULT HIGHLIGHT:

An action plan developed for the introduction of the Transjakarta electric microbus has been adopted by the Jakarta Transport Agency.

ITDP developed a plan for the phasing of the introduction of minibuses, including the plan to commission an initial set of buses to create quick demonstration value.

During the workshop in March 2022, the Director of Operational and Safety at Transjakarta presented the plan and the current progress. The cooperation between UK PACT and Transjakarta is continuing into a second year, during which the project will be supporting the implementation of the action plan and launching the e-bus pilot as well as the development of robust regulatory frameworks and investment plans. Since the introduction of the second phase of this project, DKI Jakarta Governor has issued a Governor Decree announcing Jakarta's commitment to deploy more than 10,000 Transjakarta e-buses by 2030.



Transjakarta e-bus in Jakarta, Indonesia

Argentina



In Argentina, UK PACT has supported interventions looking at the potential and risk in green and sustainable finance. Working with local producers and SMEs in the agro-industrial sector and in developing the national market for green bonds.

Intermediate Outcome

RESULT HIGHLIGHT:

Carbon Trust developed a report describing the impacts and risks related to climate change identified from robust analyses of six key agricultural value chains in Argentina (beef, soy, cotton, yerba mate, wool, and viticulture). While the agro-industrial sector generates around 85% of GDP, the sector is also responsible for 39% of the country's GHG emissions. The methodology of the risk analyses draws on the TCFD methodology. Key highlights from the report were presented at COP26. A validation workshop for the climate risks report was held in October 2021.

Beneficiaries recognised the novelty of the report as a primary source for identifying potential climate-related impacts, and as a starting point to kick off discussions and share information within the sector.



Carbon Trust's report on risks and opportunities from climate change in high-value sectors in Argentina

Peru



In Peru, UK PACT has so far funded 7 projects in green finance and in the creation of nature-based solutions especially in support of initiatives that can help to reduce deforestation rates in the Peruvian Amazon.

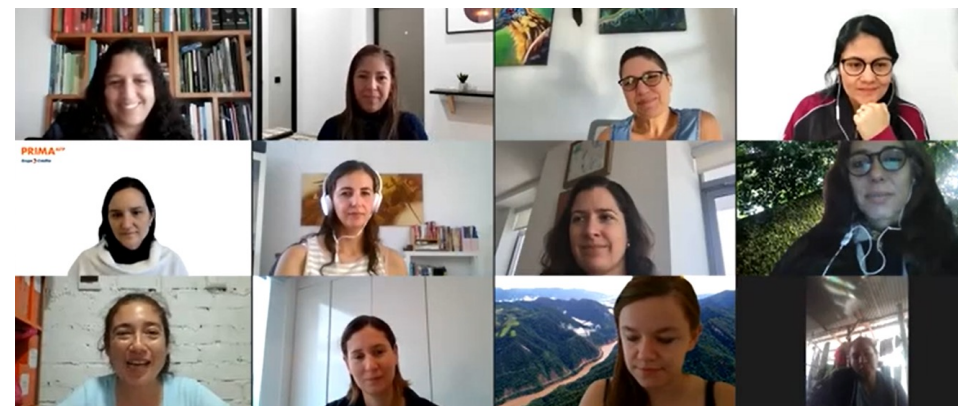
Intermediate Outcome

RESULT HIGHLIGHT:

UK PACT supported the development of a governance network within the financial ecosystem in Peru, which has led to concrete commitments on climate risk management and disclosure by member organisations, who committed to establish a Task Force on Climate-Related financial Disclosures (TCFD) by 2030. TCFD's focus is reporting on the impact an organisation has on the global climate through climate risk disclosure. The project set up a structure consisting of a Board of Directors and an Advisory Committee (which also included the Lima Stock Exchange). The governance structure has allowed interactions between participants on climate-related risk management and plans for TCFD disclosure.

As a result of the network, member organisations have strengthened their ties and benefitted from the knowledge transfer facilitated by the project.

Members have pledged to integrate climate-related risk assessment and disclosure into their organisations.



Third session of the MIC network focusing on increasing the participation of women in the financial sector

Nigeria



In Nigeria, UK PACT funds 7 technical assistance projects across two headline sectors: Energy and Nature-based Solutions. Energy projects are focused on delivering the Energy Transition Plan and increasing access to renewables. NBS projects include sustainable agriculture and forest commodity mapping.

Outcome

RESULT HIGHLIGHT: NIGERIA'S CLIMATE CHANGE ACT

UK PACT Skill Shares provided support to Nigeria legislators during the development of Nigeria's Climate Change Bill over the course of 2021. In 2021, the UK Government's Head of Climate Litigation reviewed the draft Climate Change Bill. The recommendations were to ensure the independence of the members appointed to the National Council on Climate Change and to set dates for when key decisions and targets should be established (e.g. legislating a net zero target or budgets).

A joint workshop chaired by the UK Committee on Climate Change was attended by UK and Nigerian Parliamentarians, on how to enforce and mainstream the bill, and build support for the bill across parliament. There was positive feedback at the workshop from senior government figures, including the Minister of Environment, and wider stakeholders.

The majority of the recommendations provided have been partly or fully addressed in the final text of the act, leading to strengthened legislation.



President Buhari signs the Nigeria Climate Change Bill into law

Mexico



In Mexico, UK PACT is delivering projects and skill shares in five priority sectors: Green Finance, Climate Policy Support, Sustainable Mobility, Forests and Land Use, Energy. 12 projects are currently in delivery, providing capacity building support to both Mexico's Federal and Subnational Governments. Since Mexico-UK PACT launched in 2018, 31 projects have been delivered.

Outcome

RESULT HIGHLIGHT: MEXICO CITY'S NET ZERO TARGET

Following tailored recommendations by UK PACT, Mexico City has become the first sub-national entity in Mexico to commit to carbon neutrality, highlighting the significant opportunity to accelerate climate action at the sub-national level.

In Mexico City, our partner Polea collaborated with the Mexico City's Congress to develop a proposal for the update of the Law on Mitigation and Adaptation to Climate Change and Sustainable Development. Polea conducted a participative process involving stakeholder consultation, online questionnaires, and interviews with sector experts. Evidence from this process was analysed, and findings presented and well received, and triggered several months of discussions in the City's Congress, in which Polea participated. This results in the approval of the law on 25th of May 2021, which includes a legally binding commitment to reach net zero emissions by 2050.



Mexico City Congress



In South Africa UK PACT has supported over 13 projects the majority of which are focused on supporting the just energy transition, renewable energy and energy efficiency, the program has also supported two projects in sustainable finance, and low-carbon transport respectively.

Outcome

RESULT HIGHLIGHT: SOUTH AFRICA'S INCREASED EMISSIONS REDUCTIONS TARGET

UK PACT supported sectorial modelling research, which contributed to the evidence base the South African government used to inform its decision to submit an enhanced Nationally Determined Contribution (NDC) under the Paris Agreement. In May 2021, the National Business Initiative with support from UK PACT produced a technical compendium with modelling of emissions reductions pathways for high emitting sectors including power, petrochemical, and mining. The technical compendium was shared with the South African Presidential Climate Commission, (PCC) a multi-stakeholder government advisory group established by President Ramaphosa in 2020. The technical compendium formed part of the evidence base that the PCC used for a publication (in June 2021) which advised the government on a revised, more ambitious NDC target.



President Cyril Ramaphosa at COP 27 viewing the UK PACT – NBI modelling work

Colombia



In Colombia, UK PACT has funded 34 projects to date as well as over 15 complementary skills-shares. The sector focus is on supporting nature (including sustainable livelihoods and nature-based solutions), low-carbon policy, mobility, energy and finance, as means to supporting climate action.

Outcome

RESULT HIGHLIGHT: IMPLEMENTATION OF GREEN TAXONOMY GUIDELINE

In September 2021, the Colombian Government presented Phase 1 of the country's Green Taxonomy, following support from UK PACT. The Taxonomy identifies projects with environmental objectives, thereby helping to deepen green capital markets and mobilise private and public resources towards sustainable investments. The project worked together with government ministries and the International Finance Corporation in developing a first draft of sector criteria for the future development of a Colombian Green Taxonomy. The project undertook a sector-specific gap analysis to assess and benchmark local green definitions and criteria against international ones. The analysis shed a light on the sectors that Colombia should prioritise in regard to green definitions due to their economic importance and total emissions share.

As a result of this work, the Colombian Government presented Phase 1 of the country's Green Taxonomy for comments on 17 September 2021.



The Colombian Green Taxonomy being launched at the New York Stock Exchange (NYSE)

4

UK PACT Gender Equality and Social Inclusion (GESI) Results

UK PACT Gender Equality and Social Inclusion (GESI) Ambition and Integration

UK PACT commits to be a GESI responsive programme, opposing all forms of discrimination, and as part of this, it is important to state that UK PACT strives to be an anti-racist programme. This means we will work to increase equality of opportunity for marginalised groups through our programming and aim to reduce racial and other inequalities, ensuring our GESI approaches are contextualised for the countries we operate in. We commit to improving diversity and inclusion within our own teams, including committing to be anti-racist and anti-discriminatory in our day-to-day activities, and requiring individual diversity, race and inclusion objectives for each team member. **Our ambition is for UK PACT to go beyond minimum compliance, aiming to be empowering when it comes to gender equality and social inclusion, and where possible supporting transformational change.**

UK PACT interventions:

- 1) **must do no harm**, compliant with the ID(GE)A 2014,
- 2) should strive to **achieve GESI Empowerment as a minimum**, and,
- 3) are strongly encouraged to be GESI-transformative wherever possible



UK PACT GESI Ambition and Integration

Mainstreaming GESI in programming

- GESI criteria are assessed as part of the project application process. At the project outset, implementers are expected to consider the GESI context of their project and assess how their interventions interact with that context, taking steps to prevent harm and maximise positive impact.
- Throughout project implementation, UK PACT implementing partners are expected to: continuously reflect on how their interventions may cause unintended negative effects and take immediate steps to mitigate these; engage communities/target beneficiaries in every stage of the programme, and – to the extent possible – build their capacity as decision-makers through specific activities; implement accountability and complaints mechanisms throughout project and organisational structures; and continuously monitor progress on GESI.

Mainstreaming GESI in monitoring

- Since the last quarter of 2020, **all output results input to the Results Management System (RMS) have been rated by reference to three Gender, Equality, and Social Inclusion (GESI) levels**, with a justification and evidence to substantiate the levelling provided:
- In addition, the numbers reported against Intermediate Outcome 7: 'GESI-enabling outputs adopted', and Outcome 3: 'GESI-enabling outputs implemented', reflect the number of Intermediate Outcomes, and Outcomes which have been assigned either 'Some consideration' or 'Significant consideration' at GESI level.

No consideration of/or contribution to GESI dimensions

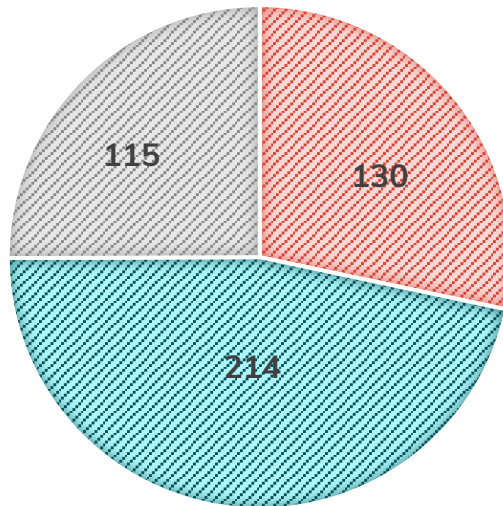
Some consideration of/or contribution to GESI dimensions

Significant consideration of/or contribution to GESI dimensions

Gender Equality and Social Inclusion (GESI) Results

GESI LEVELLING OF OUTPUTS

None Some Significant



- Overall, **72% of UK PACT outputs in the reporting year were rated as having ‘some’ or ‘significant consideration of or contribution to GESI dimensions’.**
- The majority were levelled ‘some consideration of or contribution to GESI’ (47%), while results levelled as ‘significant consideration of or contribution’ made up 25% of results. 26% of results were levelled ‘no consideration of or contribution to GESI.’

Gender Equality and Social Inclusion (GESI) Results

Outputs rated as 'significant consideration or contribution to GESI' included: more deliberate engagement of women's groups in dissemination workshops; representation of diverse perspectives; and efforts made to consult or engage diverse groups.

CASE STUDY: ROAD TO A GREEN BANGLADESH

In Bangladesh, a project which aimed to reduce emissions from transport supported micro, small and medium enterprises with scalable business models – including a significant number run by women entrepreneurs – with tools and advice for electric vehicle (EV) based projects.

To address some of the barriers that women entrepreneurs in Bangladesh face, **the project held training and knowledge sharing for a group of rural and urban entrepreneurs, for example on business plan development, accounting, access to finance and digital marketing. The project also linked women entrepreneurs with professional networks to share knowledge, which are expected to continue beyond the project.** Discussions were also facilitated with financial institutions to raise awareness on the challenges of accessing finance.



Training and knowledge sharing with women entrepreneurs in Bangladesh

Gender Equality and Social Inclusion (GESI) Results

Recommendations on, for example, social bonds, sustainable investment, and recommendations on reform to climate change laws took account of GESI. They included advising on **alignment with ESG principles or other frameworks** and **how to develop gender action plans**.

CASE STUDY: GENDER AND FINANCIAL INCLUSION FOR BANKS IN ARGENTINA

In Argentina, SMS led a workshop on ‘Sustainability Strategies for Banks’, where they explored the Gender and Financial Inclusion approach, where banks shared best practice, and the main factors related to good management and points for improvement that a financial entity should typically address were discussed.

For example, aligning business purpose with SDGs that embrace the financial inclusion of vulnerable groups, including small rural producers, and small businesses and entrepreneurs. Other actions in the short term were also discussed, such as gender balance in board members, inclusive HR policies, and exploring product development with a gender focus. **The workshop allowed banks to share experience and best practice on GESI consideration, and many have expressed interest in incorporating the recommendations in future strategic planning.**



UN Sustainable Development Goals (SDGs)

Gender Equality and Social Inclusion (GESI) Results

- At the programme level (with a total of 40,095 individuals trained over the year), gender was recorded for all but 7,506 training participants. **Of those whose gender was recorded, 13,380 (41%) were women and 19,209 (59%) were men.**

Logframe indicator	Achieved from Apr-21 to Mar-22										
	ALL	China	Colombia	Indonesia	Kenya	Malaysia	Mexico	South Africa	GRCF	SS&S	PBIP
Output 1: Skills enhanced											
1.1. Key individuals trained	40,095	2,063	9,614	141	371	328	6,774	1,246	7,664	6,327	5,567
Number of women trained	13,380	975	4,183	80	129	70	2,045	577	3,500	628	1,193
Number of men trained	19,209	708	5,291	61	228	143	3,601	641	3,260	1,083	4,193
Individuals trained for which gender was not recorded	7,506	380	140	0	14	115	1,128	28	904	4,616	181

5

Evaluation

2022 Thematic Evaluation: Complementarities and Synergies

Introduction:

- In 2022, an evaluation of UK PACT was carried out on the theme of Complementarities and Synergies. This tested the programme assumption that *'the delivery model creates opportunities for synergies, knowledge sharing and learning between projects, enabling the programme to deliver results greater than the sum of its parts.'* The independent evaluation was conducted by the programme's monitoring and evaluation partner, Oxford Policy Management (OPM).
- By learning how different delivery components of UK PACT complement each other and maximise synergies, both at the programme and project levels, UK PACT aims to identify the strengths and weaknesses of current practices in order to improve future delivery.

Approach:

- To test the programme delivery assumption, the evaluation focused on UK PACT's internal coherence, paying attention to the complementarities and synergies catalysed by and across the programme's three main delivery components. The evaluation covers the UK PACT implementation period from January 2020 to January 2022.
- The evaluation applied a mixed-methods theory-based approach, including an extensive quantitative review of the UK PACT portfolio, a programme-wide online survey, and interviews with UK PACT staff, delivery partners, implementing partners, and (to a limited extent) programme beneficiaries. Gender, equality and social inclusion (GESI) efforts were examined as a cross-cutting theme.

2022 Thematic Evaluation: Complementarities and Synergies – Findings

Overall findings:

- **UK PACT has experienced a steep learning curve over the last three years.** Beginning as a pilot programme in three countries, the programme has scaled rapidly in the last 18 months and is now delivering as a multi-country, multi-sector, and multi-year programme in 16 countries.
- **There is limited available evidence to validate the programme assumption that UK PACT creates opportunities for synergies, knowledge sharing, and learning between projects, which enables the programme to deliver results that are greater than the sum of its parts.** Nevertheless, the assumption that this is possible remains valid: the potential for synergies is high and it is possible to identify emerging initiatives.
- **UK PACT has been delivered as a complementary ‘package’, and ‘layering and sequencing’ of components has been an effective strategy for establishing bilateral partnerships, responding to demand, and generating demand in new priority countries.** Approaches that are demand-led, flexible, and complementary have been keys to the success achieved so far. This has enabled the programme to grow in scope and scale over the years. Nevertheless, UK PACT has not yet overcome some challenges stemming from its fast roll-out, COVID-19 restrictions, and the complexity and ambition of what the programme is striving to achieve. As a result, efforts *in-country* remain fragmented.

2022 Thematic Evaluation: Complementarities and Synergies – Findings

- **The scale and complexity of the programme call for an overarching approach and deliberate efforts to drive coherence, ensure multiplier effects, and bring about results that are greater than the sum of the programme's parts.** UK PACT's design and delivery is complex: traversing diverse countries with different institutional systems while working in partnership with them in a novel way. It is not just the countries that are diverse: so too are the thematic areas in which UK PACT operated, as well as the partners involved in delivery. Key areas for improvement identified in this evaluation are already being reviewed and acted upon.
- **At this point in the programme's life, UK PACT needs to rethink its portfolio-level approach and to carefully choose the elements it puts most effort into, in order to become more strategic and to maximise its impact.** The process of moving from dedicated delivery mechanisms to portfolio management is a complex one. This needs to be matched by, and grounded in, operational realities, with clear strategies, practical structures, knowledge management, portfolio-level results measurement, and learning systems.
- Since the 2021 programme-level evaluation, UK PACT has substantially scaled up programmatic-level ambition, tools, and reporting processes relating to mainstreaming GESI. However, capacity and resources in this are often do not match ambitions. Despite this, **GESI is the only area where there have been programme-wide efforts to link projects and learnings, and to identify points of collaboration within UK PACT.** The programme-wide GESI working group provides a platform for sharing approaches, lessons, and project collaboration. UK PACT partners seem to be learning from their UK PACT-funded interventions and plan to design, or have already designed, more gender-responsive interventions, building on this experience.

2022 Thematic Evaluation: Complementarities and Synergies – Recommendations

Focus area	Recommendation
Strategy	<p>Recommendation 1: Formalise UK PACT’s delivery strategy</p> <p>At the global level:</p> <ul style="list-style-type: none">• Make explicit UK PACT’s priorities and use this as the basis for the revised global strategy.• Update the programme ToC so that it articulates the role of each component in the delivery of outputs and their adoption. <p>At the country level:</p> <ul style="list-style-type: none">• Develop more targeted and cross-component country strategies that seek to achieve more than project-by-project investments.• Ensure country-level ToCs are developed side-by-side with country strategies.
Portfolio and knowledge management	<p>Recommendation 2: Ensure UK PACT’s MEL system is fit for purpose for a global portfolio</p> <ul style="list-style-type: none">• Reduce reporting requirements and stick to minimum output reporting against key targets.• Revise the programme results framework to include UK PACT’s performance on complementarities and evidence use.• Along with country level ToCs, consider developing country-level results frameworks• Prioritise key evaluation and learning questions that address country- and portfolio-level results.• Incentivise a culture of learning and reflection.

2022 Thematic Evaluation: Complementarities and Synergies – Recommendations

Focus area	Recommendation
Teams	<p>Recommendation 3: Empower and resource the teams that drive UK PACT's coherence and synergies</p> <ul style="list-style-type: none">• Assess and strengthen existing capacity.• Empower greater country-level autonomy.• Encourage and incentivise collaboration across countries and teams.• Restructure the central programme teams.
Transformative change	<p>Recommendation 4: Clarify UK PACT's transformative objectives and allocate adequate resources accordingly</p> <ul style="list-style-type: none">• Refine and clarify concepts of transformational change.• Enhance current GESI efforts and capacity at all levels – FCDO, delivery partners, and implementing partners.• Continue to support and strengthen the GESI working group.• Upscale the mainstreaming of GESI in UK PACT.
Partners	<p>Recommendation 5: Strengthen the selection of partners, incentivise collaboration, and foster ongoing learning</p> <ul style="list-style-type: none">• Ensure project selection criteria incorporate complementarity and synergy requirements.• Establish clear collaborative arrangements across implementing partners.• Learn from and build on proven successes.

6

**Value for
Money (VfM)**

UK PACT 2022 Value for Money Assessment – Introduction

Background

- UK PACT's Value for Money (VfM) 2022 assessment aims to ensure that decision-making on the programme's design and implementation is informed by robust and up-to-date evidence and provide accountability by assessing the programme's results and VfM.
- This is the third VfM assessment for UK PACT, and was undertaken June-September 2022, covering the 12-month period from 1st April 2021 to 31st March 2022. This assessment was undertaken by the monitoring and evaluation partner, Oxford Policy Management ("OPM"), taking an evaluative approach to VfM.
- This assessment covers economy, efficiency, effectiveness, cost-effectiveness and equity, for all projects managed by UK PACT's delivery partners. This framework assesses how well resources are used and whether they are being used well enough to justify the investment.

Overall assessment

- **The overall evaluation judgement of UK PACT's VfM is 'good'**, with the programme performing well in its third year of implementation.
 - Performance is highest in **economy** and **efficiency**, with the economy rated *Excellent* and efficiency rated *Good*, missing one sub-criteria from an *Excellent* rating. As the programme is still in a relatively early phase of scaling up, more weight is given to these criteria.
 - The programme has improved ratings in **effectiveness**, **cost-effectiveness**, and **equity**, which have increased from *Adequate* to *Good*, demonstrating strengthening performance on outcomes as the programme progresses. This is in line with expectations, given the long timeframes required to bring about sustainable policy action on climate change.

UK PACT 2022 Value for Money Assessment – Assessment overview

Dimension of Value for Money	Evaluative judgement	Basis for judgement
Economy	Excellent	UK PACT demonstrates excellent performance in: open, fair and transparent processes to encourage strong grant applications; average fee rates for consultants generally at or below agreed benchmarks; administrative and management costs generally at or below appropriate benchmarks; VfM built into recruitment systems and processes; managing travel costs (though very little travel was undertaken during the assessment period); actions taken to manage risks of avoidable cost increases; leveraging existing networks and economies of scale.
Efficiency	Good	There are systematic project appraisal processes to support rational investment decisions and a balanced portfolio approach to interventions is well evidenced. Delivery and spending across outputs is proportional with budget allocations and work plans for the FY 21/22. There are also systems to support adaptive management and overall, the implementation approaches were adaptive and flexible and enhanced the delivery of programme objectives. A rating of Excellent was nearly achieved, with the exception of programme outputs, which predominantly (but not fully) met their targets.
Effectiveness	Good	UK PACT meets most requirements for intermediate outcomes, and predominantly meets high-level outcomes, bearing in mind context. To achieve the higher rating of 'excellent', evidence would need to show that further advances are made across the majority of intermediate outcome indicators.
Cost-effectiveness	Good	UK PACT performed at the good level for both sub-criterion 1 (transformational change) and sub-criterion 2 (break-even analysis of selected projects). This is a positive result for cost-effectiveness of a relatively new programme that is already showing early signs of potentially long-term change.
Equity	Good	GESI considerations have been substantially streamlined through the design and implementation of the full delivery phase projects. Overall, GESI indicators show consideration or contribution to GESI dimensions across the programme, and there are some early signs to improve GESI opportunities through programme interventions.
Value for Money overall		Good

UK PACT 2022 Value for Money Assessment – Recommendations

Given the strong performance of UK PACT in this VfM assessment, the identified opportunities to improve are incremental. Stronger performance on effectiveness, cost-effectiveness, and equity is anticipated after sufficient time has elapsed for projects to achieve their intended outcomes.

- **Economy:** For FCDO to lead by example with regard to minimising travel-related emissions, carbon emissions for national and international travel should continually be tracked and reported on.
- **Technical efficiency:** To achieve a rating of 'excellent', programme outputs need to fully meet their targets (allowing for reasonable exceptions).
- **Dynamic efficiency:** The UK PACT 2022 thematic evaluation on programme complementarities and synergies found that the programme could be doing more on cross-programme sharing and collaboration.
- **Effectiveness:** UK PACT should establish expected intermediate outcome and outcome results that align with the logic of the theory of change, and these expected results should be placed within a reasonable timeframe to be monitored against. The monitoring approach established to date has revealed that it is difficult for IPs to establish both concrete targets and timelines for the achievement of results at the Intermediate Outcome and Outcome levels. This is mainly due to the fact that the adoption (Intermediate Outcomes) and implementation (Outcomes) of outputs does not lie within the direct control of the IPs but with the project beneficiaries. However, the lack of expected milestones makes it challenging to assess the effectiveness of UK PACT.
- **Break-even analysis:** The updating and extension of last year's Break-Even-Analysis (BEA), conducted by BEIS, strengthens the proof-of-concept for the use of the approach. It is recommended further BEAs be undertaken over time, adding to the cumulative evidence base of UK PACT's cost-effectiveness.
- **Equity:** The current framework for evaluating experts in the skill-shares selection process gives equity less weight than the other criteria, thus devaluing equity in the assessment. In line with good evaluation practice in the use of weight-and-sum scoring, it is recommended equal weight be given to all criteria unless there are strong and explicit rationale for weighting them differently.
- **Equity:** in addition to the GESI output indicator levelling reporting, enhanced by the GESI levelling system to track GESI results, UK PACT and its partners should also focus analysis on how GESI outputs influence systematic, sustainable and transformational change for women and other marginalised groups. The analysis will demonstrate how UK PACT's GESI outputs improve the political economy for women, future generations or other marginalised groups in relation to climate change mitigation, which forms part of UK PACT's ultimate value proposition.