

## Annual Review - UNDP Climate Promise

<b>Title:</b> United Nations Development Programme: Climate Promise		
<b>Programme Value £ (full life):</b> Defra funding £9m (100% ICF, 100% RDEL) Total Programme funding: \$73.8m		<b>Review date:</b> May 2023
<b>Programme Code:</b> GB-GOV-7-ICF-UNDP-CP	<b>Start date:</b> February 2022	<b>End date:</b> March 2025

DevTracker Link to Business Case:	<a href="https://devflow.northeurope.cloudapp.azure.com/files/documents/UNDP-Climate-Promise-Business-Case-20221005111055.pdf">https://devflow.northeurope.cloudapp.azure.com/files/documents/UNDP-Climate-Promise-Business-Case-20221005111055.pdf</a>
DevTracker Link to results framework:	

Year	22 - 23	23 - 24	24 - 25
Overall Output Score	B		
Risk Rating	Moderate		

### A. SUMMARY AND OVERVIEW

#### Description of programme

The United Nations Development Programme (UNDP) delivered Climate Promise (CP) programme has global coverage, supporting over 120 countries since its launch in 2019 to enhance their Nationally Determined Contributions (NDCs), and is the world's largest provider of support to developing countries on NDC enhancement and implementation. In the run up to COP26, the first phase of the Climate Promise focused on raising the ambition of countries' NDCs. Following COP26, UNDP launched the second phase of the Climate Promise, with the aim of helping countries move from pledge to impact.

The second phase, whilst still raising ambition, pivots to focus on delivery i.e., implementation and engagement for NDCs under the United Nations Framework Convention on Climate Change (UNFCCC). For this second phase UNDP, together with partners, aims to provide NDC implementation support to at least 100 countries between 2022 and 2026, helping them to use their NDCs as sovereign plans for investment and as key engines of sustainable development – focusing on sectors such as energy, water, nature-based solutions, forests, agriculture, transportation, and green economy. Our contribution to the UNDP CP commenced in the second phase of the programme, supporting the shift to delivery and implementation.

In 2022, 60 countries were identified for targeted support, out of which 29 governments approved and began implementation of national workplans using consultative processes. The remaining 31 countries will be finalizing workplans and initiating efforts in 2023. Defra's contribution is focussed on the Forests, Land and Nature (FLN) work area. Through our first contribution we are supporting 8 countries, Cambodia, Colombia, Dominica, Ecuador, Kenya, Liberia, Republic of Congo, and Vietnam.

#### Summary progress of performance in the past year (towards outcome and output indicators)

In its first annual review covering the programme's work from February 2022 – Spring 2023, the Climate Promise has been given a score of a 'B'. The Climate Promise has made considerable progress during the review period, the extent of which is reflected in the output scoring in Section C. At the deliverables level, from the data we have received, we carried out an analysis which shows that the countries have made varying progress against the indicators with some scoring an 'A,' meeting the proposed deliverables under the indicators, and others scoring a 'B', representing progress made to achieve the proposed deliverables under the indicators but not yet achieving these.

An annual review typically assesses progress against agreed milestones set out within the programme log frame. However, as UNDP are still finalising the baselines, milestones, and targets for the programme, this has not been possible for this annual review. The annual review will therefore provide an assessment of progress based on the country workplans, and the progress update report provided by UNDP, using the progress made against the listed activities which correspond to the programme’s outputs and output indicators, and consequently the Global Results Framework (GRF). As a result of this approach, the programme has been scored a ‘B’ for this annual review, although it is possible that it could have been scored ‘A’ had we known the actual baselines, milestones, and targets for the programme and been able to assess evidence of UNDP delivery against these. We consider the inclusion of these, and methodologies to measure country progress, as key recommendations, which once implemented would allow us to assess and score the programme more accurately. Without these, it has been challenging to measure the progress of the programme accurately and consistently, but the adopted approach was nevertheless deemed as the only way forward with the information available at the time of producing this Annual Review. We recognise that this approach needs further work to be deemed satisfactory, and we continue to work with UNDP on improving this ahead of the next Annual Review.

As the programme progresses, it will be important for the UK and UNDP to consider scalability, and opportunities for knowledge transfer to ensure the UK’s contribution maximises its value for money.

Based on the evidence of delivery against outputs, the review finds that the Climate Promise programme has made good progress towards delivering output targets, as well as progress towards outcome targets. Further details of delivery against outputs are set out in this report in Section C.

## Major lessons and recommendations for the year ahead

The key lessons and recommendations for the year ahead are detailed in the table below and when referenced within the text of the annual review are labelled as ‘[RECOMMENDATION x]’.

**Table 1.** Programme recommendations

No.	Description	Owner	Deadline
1	Improve understanding of the methodologies used by UNDP to measure in-country progress, to help monitor programme progress and ambition.	UNDP	January 2024.
2	Amend the programme’s log frame to align baselines, milestones, and targets with the initiative’s finalised Global Results Framework.	UNDP	November 2023, 6 months before our next annual review.
3	Enhance communication by setting up regular calls with UNDP, with a standing agenda on programme management.	UNDP and Defra	October 2023.
4	Improve access to UNDP risk assessment, including through the addition of country level risks in the donor dashboard.	UNDP	October 2023.
5	Seek more detailed financial information on the programme, to strengthen oversight of the deployment of funds. Specifically, a financial annual report and an annual audited statement.	UNDP and Defra	September 2023.

## **B: THEORY OF CHANGE AND PROGRESS TOWARDS OUTCOMES**

**Summarise the programme’s theory of change, including any changes to outcome and impact indicators from the original business case.**

The Climate Promise’s Theory of Change (ToC) is used to model how the programme is expected to achieve its desired outcomes alongside and considering other policies and initiatives.

The Climate Promise's desired **Impact** is to support countries to advance their net zero emission and climate resilient development, in line with the Paris Agreement and the 2030 Agenda. To ensure progress towards this impact, the programme's '**Intermediate State**' is to see UNFCCC pledges under the Paris Agreement translated into concrete action. The Climate Promise also supports the Kunming-Montreal Global Biodiversity Framework (GBF) Target 8, and contributes to GBF Targets 11, 14 and 22.

There are **4 Outcomes** which enable the programme's desired impact relating to:

1. **Scale and Speed** – Countries have effectively strengthened inclusive and gender-responsive governance and financing mechanisms to enable delivery and tracking of NDC targets across sectors.
2. **Amplifying Ambition** – Countries have established long-term net-zero and climate resilient development pathways aligned with the goals of the Paris Agreement.
3. **Lasting Inclusivity** – Key actors within society are systematically engaged and empowered to contribute to accelerated NDC implementation, long-term net-zero, and climate resilient development pathways.
4. **International Engagement** – Regional and global awareness, advocacy, and partnerships are strengthened to contribute to enhanced NDC and Long-term Strategies (LTS) ambition and delivery capacity.

A broad range of activities is envisaged to achieve these outcomes.

The original business case detailed a descriptive ToC which explored the outcomes in a narrative way, pulling out the 'Need,' 'Trends' and 'Support Offers,' helping to illustrate the rationale for the programme. However, since the business case was signed off, a more detailed and revised ToC has been developed, setting out the programme assumptions, outputs, outcomes, and impacts in a comprehensively structured way. And it is this tool that was used to develop the programme's logframe and for this year's annual review.

In the updated ToC, an additional outcome on 'International Engagement' has been introduced, with related outputs. These outcomes are also the foundation of the Global Results Framework (GRF), which is used to monitor the progress of the programme and is the basis of our log frame. It is worth noting that while Outcome 4 (International Engagement) has been included in the CP's ToC and subsequently the GRF, UNDP have not reported against this Outcome to Defra, in light of the fact that activities under Defra's first contribution were framed around the original draft ToC which did not include Outcome 4. Therefore, it has been omitted from our current log frame, but can be included at a later stage.

The activities we are funding through our contribution directly link to the programme's output indicators which are detailed in the ToC. These indicators monitor the implementation of the programme's outputs and subsequently the outcomes. Therefore, through the logframe and the ToC it is possible to link our funding to the outputs, outcomes, and impact of the programme. Through our contributions, we now support activities which feed into all four of the programme's outcomes.

As set out in the programme's business case, all ICF programmes are required to report against at least one Key Performance Indicator (KPI) that reflects the ToC and key aims of the programme. In line with this, since the original business case was approved, we have incorporated two ICF KPIs into the CP logframe at the impact and outcome levels. At the impact level we have added in ICF KPI 15 (Extent to which the ICF Intervention is Likely to Lead to Transformational Change) and at the outcome level we have added in TA KPI 1 (Number of Countries Supported by ICF Technical Assistance). These will enable us to strengthen our reporting, and we plan to report against these going forward.

We believe that the revised ToC is robust and fit for purpose, reflecting the ambition, impact, outcomes, and outputs of the programme, as well as our contribution.

The full Climate Promise ToC can be found in Annex A of this report.

**Describe where the programme is on/off track to contribute to the expected outcomes and impact. What action is planned in the year ahead?**

We recently received the UNDP Annual Report for the Climate Promise, which has provided an update on the current progress towards the desired outcomes for the overall programme, however we have not received any updates against the impact indicators. We hope to provide an assessment on Impact in the Defra-funded countries through a KPI15 assessment in future funding years.

In the year ahead additional support will be provided in 5 of the countries we are currently supporting (Cambodia, Colombia, Ecuador, Kenya, Vietnam) and we will provide support to a further 2 countries (Cote d'Ivoire and Indonesia) with Defra's second voluntary contribution to the Climate Promise programme. We are not continuing to support work in Dominica, Liberia, or the Republic of Congo through our contribution, however the Climate Promise programme is continuing to work in Liberia and the Republic of Congo. The country selection was determined following consultations between UNDP and Defra as well as guidance and consideration from the NDC Partnership Support Unit. In particular, the guidance to weight the focus towards continuing in countries already being supported under the initial contribution, as well as to vary proposed country allocations as is reflected in the country selection.

Based on the progress made against the output indicators for the countries we have supported, we believe that the programme should continue. Part of the rationale for our second voluntary contribution is that there is opportunity to build on the work started under our first contribution and to expand this support to further countries.

**C. DETAILED OUTPUT SCORING**

Our log frame for the Climate Promise programme uses the outcome and output indicators set out in the Climate Promise Global Results Framework. However, for the 8 countries supported under this voluntary contribution, which focuses specifically on Forests, Land and Nature (FLN), activities are not being undertaken in each country against every indicator and for some indicators there are no activities planned in any of the 8 countries. Therefore, we have selected to list only those indicators that our countries have corresponding activities to, and due to this, these indicators will likely fluctuate and change over the lifetime of the programme. Additionally, we anticipate that UNDP will start to report against indicators under Outcome 4 'International Engagement' later in the programme, which may lead to the addition of indicators relevant to Defra funded countries.

As the baselines, milestones and targets for the programme are still being finalised by UNDP, the milestones for this review have all been set to '0'. We have stressed the importance of adopting and implementing a complete and final version of the initiative's Global Results Framework as soon as possible, and accurately assess and monitor progress of the programme's outputs and outcomes against anticipated milestones, which would enable us to develop a structured approach focusing on activities linked to our contributions. We continue to work closely with UNDP regarding the development of these and will integrate them as soon as they become available. The target figures for this annual review have been reached by reviewing the country workplans and understanding which countries are seeking to progress their activities under the output indicators, and progress is assessed based on how they are progressing with these. The targets presented in this annual review are interim targets that may be reviewed once we have received clarification from UNDP on the methodologies used to count a country against specific indicators. **[RECOMMENDATION 1]**

We are using the information provided in the Defra Progress Update report provided by UNDP, to detail the progress made against the output indicators in each supported country to effectively score the programme output. Under each output indicator we have scored each reporting country, either an 'A' (met expectations) indicating they have achieved the proposed deliverables under that indicator, or 'B' (moderately did not meet expectations), for those that have started work but not yet completed the deliverable(s) proposed under that indicator.

<b>Output Title</b>	Inclusive policy, strategies, plans and regulatory frameworks (national, sectoral, or sub-national) in place to support NDC implementation and drive green recovery.		
Output number:	1.1	Output Score:	<b>B</b>

Impact weighting (%):		Weighting revised since last AR?	N/A
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No.	Indicator(s)	Milestone(s) for this review	Target	Progress
1.1.1	Number of countries with inclusive policies/strategies/plans/regulatory frameworks developed and/or implemented (at national, sectoral, or sub-national level) to support NDC implementation, including those that are gender-responsive	0	4	Progress is being made in 4 countries.

**Briefly describe the output's activities and provide supporting narrative for the score.**

### **Output Indicator 1.1.1**

#### **Cambodia - B**

- Addressing information/data gaps to refine estimates for the Forestry and Other Land Use (FOLU) sector in the NDC is scheduled to be completed by the end of 2023.
- UNDP is working with the Ministry of Environment to conduct a national workshop in Q3 with representatives of the Cambodia Government at different levels (national and provincial). In this workshop UNDP and other partners will present on progress in the implementation of the Nested Framework (guidelines, systems).

#### **Ecuador - A**

- Drafting of the final version of the compensation (national carbon market) standard was completed in February 2023 and is key to increasing the rate of private sector support. Socialisation of the standard is pending due to political instability.
- Further to this, a Carbon Footprint mechanism is also being developed for local governments. The objective is to promote climate change management at the local level, using all the instruments developed at the national level such as: (Carbon Footprint Program, National Adaptation Plan (NAP), NDCs, etc.).
- The PECC web system phase I is now ready. This system was publicly launched on May 6th, 2023 (Carbono Cero | PNUD (treintasegundos.com)).

#### **Kenya - B**

- Germany is currently supporting the preparation of the National Climate Change Action Plan update. DEFRA funds are being used to support the working group in undertaking a sectoral analysis that will also be packaged as a separate product. The sectoral analysis will identify priority actions to be undertaken by the country over the next 5 years. The analysis is due to be complete in Q4 of 2023.

#### **Liberia - B**

- High-level stakeholder engagement on the update of the National Forestry Policy and Implementation Strategy began in December of 2022 and the drafting of the Policy is due to be complete in the latter part of 2023.
- The analysis report on the barriers around the green corridor intervention/targets in the NDC is due to be complete in Q2 of 2023. The report will also detail how the green corridor can be implemented in urban settlements.

As two of the countries (Liberia and Ecuador) have met the workplan deliverables for this year, and two countries (Cambodia and Kenya) have made significant progress but not yet met the deliverable under the first allocation, we have scored this output a 'B' (output moderately did not meet expectations).

<b>Output Title</b>	Institutional capacities and whole-of-government coordination mechanisms at all levels strengthened to support effective, gender-responsive and inclusive NDC implementation processes.
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Output number:	1.2	Output Score:	B
Impact weighting (%):		Weighting revised since last AR?	N/A

No.	Indicator(s)	Milestone(s) for this review	Target	Progress
1.2.1	Number of countries with horizontal and vertical coordination mechanisms strengthened/established to support whole-of-government climate action, including those that are gender-responsive	0	1	Progress is being made in 1 country.
1.2.2	Number of countries, where institutional capacities for NDC-implementation have been strengthened, including on gender-responsive approaches	0	3	Progress is being made in 3 countries.

**Briefly describe the output's activities and provide supporting narrative for the score.**

**Output Indicator 1.2.1**

**Republic of Congo - A**

- A national workshop was organized to address the inventory of overlapping land uses and review the draft decree establishing the technical inter-ministerial committee for land use planning and development. Following the workshop, the decree establishing the inter-ministerial committee is now being processed internally by the government and the committee is scheduled to become operational in 2023.

**Output Indicator 1.2.2**

**Colombia - B**

- UNDP Colombia held a project socialization meeting with the international affairs office of the Ministry of Environment to reaffirm UNDP support to the new government in the implementation of the NDC with communities. The stock taking process was discussed in this meeting and work on this exercise will commence this year and be completed by Q1 of 2024.

**Ecuador - B**

- A socialization of the "Ecuador Carbon Zero Program" with the local authorities of the Ministry of Environment started in Q1 of 2023 with the support of the Climate Promise in the capital (Quito). This process will take six months and cover 13 points in the territory (in person meetings) in a way to advocating for the Private Sector participation in the Ecuadorian Voluntary Carbon Footprint Program. Allocation of funds to 2 pilot projects is due to take place over Q2 and Q3 of 2023.

**Kenya - A**

- South-South exchange with Ghana and Senegal conducted in January with Climate Focus. Over 40 participants were engaged. As a result of these exchanges, Kenya was able to successfully draft the briefing note for "Operationalisation of Article 6 in Kenya".

Under Output Indicator 1.2.1 progress can be scored as an 'A' (meets expectations), however, under Output Indicator 1.2.2 two of the countries (Colombia and Ecuador) have made significant progress but not yet met the deliverable under the first allocation, whilst one country (Kenya) has met the workplan deliverables for this year and would therefore have to be score a 'B' (moderately did not meet expectations). Therefore, we have scored this output a 'B' (output moderately did not meet expectations).

<b>Output Title</b>	Inclusive and gender-responsive financing strategies, plans or investment frameworks developed to define and mobilise diverse sources of finance (international/domestic public/private sector) to support implementation of NDC actions and drive green recovery across key sectors.		
Output number:	1.3	Output Score:	B
Impact weighting (%):		Weighting revised since last AR?	N/A

No.	Indicator(s)	Milestone(s) for this review	Target	Progress
1.3.1	Number of countries which have established climate finance strategies/plans, including those that linked to Integrated National Financing Framework (INFF), development plans and/or green recovery strategies, and those that are gender responsive.	0	1	Progress is being made in 1 country.
1.3.2	Number of countries that have developed and/or strengthened policy or regulatory measures that are conducive to the mobilization of private capital for NDC implementation.	0	2	Progress is being made in 2 countries.
1.3.3	Number of countries that have established or strengthened financing mechanisms or instruments for climate finance mobilization.	0	1	Progress is expected but has not yet commenced in 1 country.

**Briefly describe the output's activities and provide supporting narrative for the score.**

**Output Indicator 1.3.1**

**Cambodia - B**

- The recruitment process for a specialised consultant to support the development of a carbon markets readiness workplan is underway. The dialogues and associated workplan are due to be completed by the end of 2023.
- The recruitment process for a specialized consultant to engage with government partners or other key stakeholder to channel investments for NDC implementation is underway. Consultations are due to be complete by the end of 2023.

**Output Indicator 1.3.2**

**Kenya - A**

- UNDP are collaborating with GIZ on ongoing efforts related to the development of the Article 6 activation plan and UNDP will be supporting efforts on the related Operational Framework for the plan. Identification of capacity needs will be incorporated into these ongoing efforts.
- In light of ongoing work on the Climate Change Action Plan and Article 6 Activation plan, UNDP is in discussions with key stakeholders on how this deliverable can be incorporated into ongoing efforts.

**Vietnam - B**

- A report entitled "Assessment of applicability of carbon projects under requirement of Article 6 of Paris Agreement and Viet Nam NDC contribution; and the suggested procedure and criteria for transition, selection of projects to contribute to Viet Nam NDC" has been developed.
- As a next step, a study will be conducted on the national framework, identifying the legal gaps for implementation of Land Use, Land-Use Change and Forestry (LULUCF) projects, and identifying carbon standards/mechanisms applicable to national LULUCF projects. This study will be completed in the latter part of 2023.
- UNDP is supporting Government in the drafting of a decree for the transition of existing Clean Development Mechanism projects to the new market mechanism under Article 6.4 of the Paris Agreement. The Decree will also be applied for new projects which are applying under voluntary carbon standards such as GS, Verra, etc.
- The Decree will be drafted by Q3 of 2023.

**Output Indicator 1.3.3**

**Liberia - B**

- A barrier analysis for accessing result-based payment from REDD+ is due to be conducted in Q3 of 2023.

For Output Indicator 1.3.1 and 1.3.3 progress has been scored as a 'B' (moderately did not meet expectations). Under Output Indicator 1.3.2 one country (Kenya) has met the workplan deliverables for this year and would score an 'A' (meets expectations), whilst the other country (Vietnam) has

made significant progress but not yet met the deliverable under the first allocation and has scored a score a 'B' (moderately did not meet expectations). Consequently, we have scored this output a 'B' (output moderately did not meet expectations).

<b>Output Title</b>	Data and transparency systems and processes for the Enhanced Transparency Framework established or strengthened to measure the achievement of NDC targets.		
Output number:	1.4	Output Score:	B
Impact weighting (%):		Weighting revised since last AR?	N/A

No.	Indicator(s)	Milestone(s) for this review	Target	Progress
1.4.1	Number of countries with strengthened or established MRV/M&E institutional capacities, processes, or systems (for mitigation, adaptation, or finance), to track NDC progress, including those that are gender responsive.	0	6	Progress is being made in 4 countries and is expected in 2 further countries later this year.

**Briefly describe the output's activities and provide supporting narrative for the score.**

#### **Output Indicator 1.4.1**

##### Cambodia - B

- The study to define a methodology to estimate forest degradation is scheduled to be completed in Q4 of 2023.

##### Dominica - B

- Work technical guidance on an NDC indicator selection and means of verification for the Agriculture, Forestry and Other Land Use (AFOLU) sector will commence in Q3 2023.
- Training on the Enhanced Transparency Framework and Modalities, Procedures and Guidelines, with a focus on AFOLU, and advise on how to structure NDC content to best align with the Paris Rulebook and ETF are due to take place in Q3 2023.
- UNDP has started extensive discussions with key stakeholders involved in AFOLU to identify needs for an AFOLU Information Management System (AIMS) so that the system is a holistic and useful one for all concerned parties. Once these discussions have been concluded, the AIMS will be designed. The system is expected to be developed by Q4 of 2023.

##### Liberia - B

- UNDP is currently facilitating engagement between relevant stakeholders (i.e., FAO and the REDD+ Implementation unit) to discuss the identified gaps and agree on the focus for data collection and reporting. In the meantime, the UNDP Paris Agreement LULUCF and NDC Tool (PLANT) has been used to develop a PLANT report and the content will be used to complement the data collection process which is due to be complete in Q3 of 2023.

##### Republic of Congo - B

- Work to establish and operationalize the Measurement, Reporting, and Verification (MRV) system for monitoring LULUCF-related NDCs measures is at an advanced stage and the MRV system is anticipated to become operational in Q4 of 2023.

All under this Output have been scored as a 'B' (moderately did not meet expectations). Overall, we have scored this output a 'B' (output moderately did not meet expectations).

<b>Output Title</b>	Strategies, resources and political will for long-term net-zero, climate resilient pathways are established or strengthened, including those with just transition measures.		
Output number:	2.1	Output Score:	B
Impact weighting (%):		Weighting revised since last AR?	N/A



No.	Indicator(s)	Milestone(s) for this review	Target	Progress
2.1.1	Number of countries supported to develop long-term strategy or define long-term goals in line with NDC targets, including considerations of just transition	0	3	Progress is being made in 3 countries.

**Briefly describe the output's activities and provide supporting narrative for the score.**

**Output Indicator 2.1.1**

Cambodia - B

- UNDP will be working with the Ministry of Environment to facilitate workshops in Q3 and Q4 2023 to identify recommendations for integration of the LULUCF sector in the LTS and climate-resilient pathways and enhancement of Government capacity to engage carbon markets.

Vietnam - B

- The methodology for the study is being finalized and the study itself is scheduled to take place in the latter part of 2023.
- Carbon measurement data of mangrove forests for 28 coastal provinces will be made available by Q4 of 2023.
- A report proposing a methodology and time plan for calculating C-stock in the 5 ecoregions in Vietnam has been developed. Stakeholder inputs on this report are being incorporated. The methodology is due to be finalized by mid-2023.
- A high-level event to showcase the Government of Vietnam's commitment to higher ambitions leading to net zero by 2050 is envisioned to take place in the 2nd part of 2023.

Dominica - B

- The assessment of carbon uptake by forest/agriculture lands and marine areas; protection of new and additional carbon sinks is scheduled to be conducted in Q3 of 2023.
- Training for relevant stakeholders on capacity development activities is due to take place in Q3 of 2023.

All under this Output have been scored as a 'B' (moderately did not meet expectations). Overall, we have scored this output a 'B' (output moderately did not meet expectations).

<b>Output Title</b>	National stakeholder engagement processes established or strengthened to empower key actors, including vulnerable groups (e.g., Indigenous peoples), in participating and leading NDC implementation processes and long-term climate action.		
Output number:	3.1	Output Score:	B
Impact weighting (%):		Weighting revised since last AR?	N/A

No.	Indicator(s)	Milestone(s) for this review	Target	Progress
3.1.1	Number of countries where women, girls, youth, Indigenous people and/or vulnerable groups are represented in decision-making mechanisms and processes to support climate action	0	2	Progress is being made in 2 countries.

**Briefly describe the output's activities and provide supporting narrative for the score.**

**Output Indicator 3.1.1**

Cambodia - B

- Awareness raising activities on climate change and REDD+ are planned for Q3 and Q4 of 2023.
- Identifying social and environmental safeguard information gaps, at both the regional and national scales, in order to meet nesting requirements will reach an advanced stage by Q3 of 2023.

- A call for proposals for direct grants to Indigenous Peoples and Local Communities (IPLCs) to strengthen their participation in NDC implementation will launch in the latter part of 2023.

#### Ecuador - A

- 10 project proposals were received from the REDD+ National Roundtable with IPLCs. A selection process was developed jointly with the Min. of Environment and 3 projects were selected to receive funding. There is one project for each region (1 for highlands, 1 for coastal, and 1 in the amazon). The organisations have been notified and are undergoing due diligence needed to sign the funding agreement.
- The remaining seven grants are supporting Planes de Vida developed by the communities themselves.

Under Output Indicator 3.1.1 one country (Ecuador) has met the workplan deliverables for this year and would score an 'A' (meets expectations), whilst the other country (Cambodia) has made significant progress but not yet met the deliverable under the first allocation and has scored a score a 'B' (moderately did not meet expectations). Consequently, we have scored this output a 'B' (output moderately did not meet expectations).

<b>Output Title</b>	Innovative engagement mechanisms are leveraged, developed and/or scaled and institutionalized to promote social mobilization, including PCV/Mission 1.5.		
Output number:	3.2	Output Score:	A
Impact weighting (%):		Weighting revised since last AR?	N/A

No.	Indicator(s)	Milestone(s) for this review	Target	Progress
3.2.1	Number of countries where engagement mechanisms and initiatives have been leveraged, developed and/or scaled up to promote social mobilization for climate action	0	4	Progress is being made in 4 countries.

**Briefly describe the output's activities and provide supporting narrative for the score.**

#### Output Indicator 3.2.1

##### Colombia - A

- A call for proposals targeting Indigenous Peoples was successfully launched on March 21, 2023, and closed on 13 April. The 36 proposals submitted focused on forest protection projects that aim to promote local contributions to NDC implementation. The comprehensive and inclusive evaluation process is unfolding throughout end of April-middle of May, and final selections will be made on May 23.

##### Kenya - A

- Following a comprehensive and inclusive evaluation process, five (5) communities were selected to receive funding for their projects.
- Projects selected focus on increasing tree cover through afforestation, reforestation, and landscape restoration in South Narok and West Pokot counties; capacity building efforts for local farmers through specialized trainings and sensitization to regional climate risks in Kakamega county; targeted conservation and restoration of existing mangrove ecosystems in Kilifi county; and bolstering community engagement and sustainable alternative livelihoods to protect the Ngong Road Forest outside of Nairobi.

##### Dominica - B

- Engagement with the Kalinago Council commenced at the start of 2023 and the national UNDP Accelerator Lab are documenting the nature-based solutions of the Kalinago. Trainings will take place by the end of 2023 based on the findings from ongoing engagements with the council.
- Consultations and workshops with the Kalinago Community on adaptation and sustainable land management solutions are scheduled to take place in Q3 of 2023.

##### Republic of Congo - A

- Two Grants of USD 15,000 and USD 10,000 were awarded to NGOs ARPA2DH and PDCM, respectively. One of the NGOs will be using the funds to implement a project focused on sharecropping production for the development of pig value chains, with a view to reducing poverty and pressure on biodiversity in the department of Lekoumou. The other NGO will be utilizing the grant funds to promote the development of community-based ecotourism products.

As three of the countries (Colombia, Kenya, and Republic of Congo) have met the workplan deliverables for this year, and one country (Dominica) has made significant progress but not yet met the deliverable under the first allocation, we have scored this output an 'A' (met expectations).

<b>Output Title</b>	National/sub-national knowledge sharing, and awareness-raising mechanisms established or strengthened to build capacity of broader society and inform NDC implementation and long-term pathways.		
Output number:	3.3	Output Score:	<b>B</b>
Impact weighting (%):		Weighting revised since last AR?	N/A

No.	Indicator(s)	Milestone(s) for this review	Target	Progress
3.3.1	Number of countries, where knowledge sharing or awareness raising with broader society on NDC implementation or long-term pathways has been undertaken or strengthened	0	2	Progress is being made in 1 country and is expected in 1 further country later this year.

**Briefly describe the output's activities and provide supporting narrative for the score.**

#### **Output Indicator 3.3.1**

Liberia - **B**

- Capacity building workshops for NGO and IPLCs to ensure continuous engagement for various stakeholder groups (NGO, forestry sector Working Group, Environment Working Group, Agriculture Working Group, IPLCs) are due to take place by Q3 of 2023.

All under this Output have been scored as a 'B' (moderately did not meet expectations). Overall, we have scored this output a 'B' (output moderately did not meet expectations).

Total Output Scoring	A	B
	1	7

The majority of the Outputs have scored a 'B' (moderately did not meet expectations), as they have started work but not yet completed the deliverable(s), we will reflect this in the overall programme scoring.

**Assess the VfM of these outputs compared to the proposition in the Business Case, based on performance over the past year**

A full value for money assessment can be found in Section E.

**Describe any changes to the outputs during the past year, and any planned changes as a result of this review.**

There have been some slight amendments to the phrasing and numbering of the programme's outputs as the Global Results Framework has been developed by UNDP, however the substance of the outputs has remained consistent. As work continues to set the baselines, milestones, and targets for the programme, the outputs may be adjusted further. We are working closely with UNDP and will integrate any further changes along with the baselines, milestones, and targets as soon as they are finalised. A recommendation from this year's annual review is to have baselines, milestones, and targets in place at least six months in advance of next year's annual review, to help monitor programme progress and ambition. **[RECOMMENDATION 2]**

## Progress on recommendations from the previous AR (if completed), lessons learned this year and recommendations for the year ahead

As this is the first annual review of the Climate Promise programme; there has not been any previous recommendations.

A comprehensive list of programme recommendations is detailed in Table 1.

### D: RISK

#### Overview of risk management

We have identified three key risks for the programme, two of which have informed recommendations within this annual review. The first key risk is that the baselines, milestones, and targets for the programme are still being finalised and therefore that the programme fails to deliver its potential. As previously set out, this is being mitigated through engagement with UNDP, working with them to finalise these, and to implement them once complete.

The second key risk looks at the lack of access to and therefore understanding of UNDP's risk register and finance reporting for the programme, in this first year of implementation, which impede us to monitor as expected the programme. We are mitigating this risk through discussions with UNDP to request access to risk management and financial information, including through the addition of country level risks in the donor dashboard, in addition to our recommendation to set up a regular call which focuses on these areas.

The final key programme risk includes the risk of conflicts or unrests destabilising the supported countries, and the risk of fraud or corruption jeopardizing the intended use of the contribution. To mitigate this, we are maintaining vigilance of events in supported countries through news reporting and discussion with UNDP and FCDO Posts, ensuring that the programme can be responsive to events, and by directing our support to Defra priority countries with lower risks of such events arising.

Defra's due diligence assessment did not highlight any concerns with UNDP's approach and safeguards, including on safeguarding against sexual exploitation, abuse, and harassment (SEAH) and fraud, with clear policies in place to address these issues.

We will continue to monitor safeguarding risks through our risk register and regular discussions with UNDP. We will also strive to gather further insights by means of country visits, seeking first-hand information on progress of activities. In November 2022 we conducted our first in-country visit to Ecuador and Colombia, joining the UNDP country and regional teams on a mission to the Ecuadorian Amazon to participate in the launch of the second NDC consultation, and visit rural communities that had benefited from small grants from Defra's contribution. Opportunities for further visits are currently being discussed with UNDP.

It is worth highlighting that within our second voluntary contribution letter to UNDP, communicating our funding extension, we included an extensive annex with detailed safeguarding requirements, clearly setting out the standards that frame the way in which we operate. The letter also included language on UNDP's risk management approach, and our expectations in that regard.

Over the course of the past year, we have discussed updating our risk register with UNDP, and reviewing this as part of the annual review process, although this has not been a standing conversation item. We propose to set regular calls with UNDP, with standing items on programme management. **[RECOMMENDATION 3]**

As part of our ongoing discussions with UNDP, we have asked for sight of the wider programme's risk register to enable us to account for any programme risks that may also relate to our contribution. We have also suggested the possibility of including risk elements in the donor dashboard currently being developed for the programme, which also forms part of recommendation 4 in this annual review. We continue to engage with UNDP on this area and will embed it as a standing agenda item in future regular calls with UNDP.

Annex 3 of the UNDP Annual Progress Report details risks and issues that had an impact on project deliverables during the reporting period, or which were newly identified during the reporting period, and being addressed by the project. This provides some insight on the work UNDP are carrying out across the programme to identify and mitigate risks and issues, although it does not allow us to fully assess how these risks have changed throughout the year, being this the first annual report for the second phase of the initiative.

A recommendation to improve access to UNDPs programme's risk assessment, including through the addition of country level risks in the donor dashboard, has been included in the year's annual review. **[RECOMMENDATION 4]**

The programme's risk register has been updated ahead of drafting this year's annual review. This has also been revised to incorporate outcomes and recommendations from this review. The risk register will be reviewed at regular intervals with calls with UNDP, to ensure that risks and mitigations are accurately reflected, strengthening our risk management approach.

## **E: PROGRAMME MANAGEMENT: DELIVERY, COMMERCIAL & FINANCIAL PERFORMANCE**

**Summarise performance, notably on commercial and financial issues, and including consideration of VfM measures of economy and efficiency.**

Defra's financial contribution to the Climate Promise programme was made via a voluntary contribution, which detailed, amongst other things, that the contribution was to be used for the Forests, Land and Nature work area and as the contribution was made using ICF funds, it will need to prioritise livelihoods, poverty alleviation and climate. The voluntary contribution letter also confirmed that within 28 days of the end of that contribution period, 28 April 2022, a brief report would be provided by UNDP, setting out how the funding had been allocated.

This report was provided by UNDP in May 2022, detailing the planned approaches for global and regional activities at both the outcome and country levels. This report only details activities for Outcomes 1-3, we anticipate that UNDP will start to report activities under Outcome 4 'International Engagement' later in the programme. This is due to the fact when the activities for the countries we are supporting were established, Outcome 4 had not yet been devised and therefore has not been reported against. Going forward, we expect reporting against Outcome 4 for regional and global-level activities. The country level activities and the progress made on these are detailed in Section C.

The voluntary contribution letter also sets out that the programme will report on ICF KPIs, namely KPI15 which assesses transformational change. As well as ensuring that appropriate and proportionate safeguarding and fraud measures are in place.

Defra has a strong participatory role in the CP governance process as part of the annual UNDP CP Steering Committee. This provides us, other donors, partner governments and civil society representatives with an opportunity to provide feedback on the work undertaken by UNDP, and to discuss future actions.

Additionally, more regular conversations have taken place with UNDP in the form of frequent, ad-hoc conversations with UNDP, in which programme updates and upcoming work areas are discussed. As detailed in Recommendation 3, to aid monitoring of the programme, going forward we will aim to have regular calls, with standing agenda items on programme management. This would help us to maintain a clearer understanding of these areas, whilst also retaining the flexibility offered by additional, ad-hoc meetings as and when required.

Due to the nature of voluntary contributions, and the fact that the recipient is a multi-donor portfolio, it is not possible to directly attribute UK funding specifically in financial reporting. and financial reporting for the initiative happens at the portfolio level, rather than at individual donor level. In Annex 1 of the most recent Climate Promise Annual Report, the latest approved budget is outlined in detail.

As per section on risk above, it is worth highlighting that in our second voluntary contribution letter we have included language reiterating expectations on financial audits, and the need to inform Defra of any findings that would be relevant.

In order to enable a more comprehensive oversight of how funds linked to our contribution have been deployed, we have included a recommendation to seek more detailed financial information on the programme going forward, to strengthen oversight of the deployment of funds. Specifically, a financial annual report and an annual audited statement. **[RECOMMENDATION 5]**

## **Value for Money**

**Economy:** In terms of economy, financial costs of £3m were projected for the 2021/2022 Financial Year (FY) and the actual voluntary contribution was equal to the projected amount. Defra's funds will finance tools and evidence-based knowledge products to value nature and ecosystems, and support UNDP parties in delivering on their climate commitments.

UNDP is a trusted delivery partner with significant economies of scale. The UNDP's Climate Promise is the world's largest offer of support to countries on NDCs, having supported 120 countries representing 80% of all developing countries worldwide. As a result, tools and evidence developed by Defra funds will be used and taken up by a greater number of countries than if Defra were to create a project on its own or work directly with a few countries in a bilateral approach. UNDP have clear Procurement Ethics, Fraud and Corrupt Practices which are premised upon achieving 4 key principles including achieving best value for money. One example of practices adopted by UNDP which aligns with achieving best value for money is that Staff who have personal or professional interests in an offeror are prohibited from any involvement in the procurement process.

**Efficiency:** As the program is at an early stage of implementation it is difficult to assess efficiency. The UK's voluntary contribution is pooled with donations from other donors which enables all donor countries to have a measurable and significant impact in a range of areas. By pooling donations together outputs are likely maximised as economies of scale are achieved. Further evidence of the efficiency of the programs management will likely be available after milestones and targets are agreed and measured by UNDP. The business case did not outline expectations of where the project would be a year in therefore it is difficult to comment whether current progress towards achieving output indicators is on target. However, we know that 8 countries have been supported through Defra's first voluntary contribution, with some indicators reporting progress in more countries than others. Additionally, we anticipate that UNDP will start to report against indicators under Outcome 4 'International Engagement' later in the programme, which may lead to the addition of indicators relevant to Defra funded countries.

**Effectiveness:** As mentioned previously, due to Defra funding to UNDP being a voluntary contribution to a multilateral fund, we do not have any specific financial details that disaggregate our funding from the wider Climate Promise fund. As the baselines, milestones and targets for the programme are still being finalised by UNDP, the milestones for this review are all '0'. Without this key data it is not possible to compare actual results with expected results, or to accurately comment on how progress on outputs contributes to achieving outcomes. The target figures for this annual review have been reached by reviewing the country workplans and understanding which countries are seeking to progress their activities under the output indicators and measuring this progress accordingly. The targets presented in Section C of this annual review are interim targets that may be reviewed once we have received clarification from UNDP on the methodologies used to count a country against specific indicators. Once these targets have been reviewed and updated a more accurate assessment of value for money can be made.

However, we know that 8 countries have been supported by Defra's voluntary contribution so far.

**Equity:** Evidence displaying the considerations of Gender Equality and Social Inclusion for the Whole Program will be outlined further in the Annual Report therefore there is limited scope for comment at present without this data. However, so far 7 of the 8 Defra funded countries have reported progress against Outcome 3 'Lasting Inclusivity' from the Climate Promise Theory of Change. Progress has been made against 4 of the 5 related output indicators, including progress recorded by Cambodia and

Ecuador against Output Indicator 3.1.1 thus demonstrating evidence that women, girls, youth, Indigenous people and/or vulnerable groups have been represented in decision-making mechanisms and processes to support climate action. This suggests that Defra funding has contributed to key actors within society being systematically engaged and empowered to contribute to accelerated NDC implementation as part of the UNDP Climate Promise program.

Within the business case it was noted that the equity of the UNDP Climate Promise impact is likely to be high considering one of the UNDP Climate Promise's key areas of work is inclusion. The UNDP Climate Promise focuses on taking advantage of knowledge, skills, and perspectives from all affected people, building from the experience of those on the frontlines of the climate change crisis. The programme also has experience in engaging stakeholders, including key interest groups such as IPLCs, by means of a range of different tools and processes. These include capacity building programmes tailored on different geographical scales, dialogue platforms, and direct funding support through grants.

#### **Assessment of the programme's value for money:**

As the UNDP Climate Promise remains in the early stages of implementation, it is too early to judge whether it will deliver the expected results. However, at present there is no evidence that the economic arguments for funding the program have changed significantly since Business Case approval. There has also not been any significant change to the design of the programme which will prevent the programme from delivering value for money. Following the recommendations made within this AR, Defra expects that data on baselines, milestones and targets will be available for the next AR. Two ICF KPIs are incorporated in the CP logframe at the impact and outcome levels. At the impact level we have added in ICF KPI 15 (Extent to which the ICF Intervention is Likely to Lead to Transformational Change) and at the outcome level we have added in TA KPI 1 (Number of Countries Supported by ICF Technical Assistance). It is expected that we will be able to report progress against these KPIs in the next AR. This will enable better monitoring of the programme's progress and a better evidenced assessment of value for money.

## Annex A: Climate Promise Theory of Change

# Global Climate Promise Theory of Change

### OUTCOME 1:

#### SCALE AND SPEED

Countries have effectively strengthened inclusive and gender-responsive governance and financing mechanisms to enable delivery and tracking of NDC targets across sectors

### OUTCOME 2:

#### AMPLIFYING AMBITION

Countries have established long-term net-zero and climate resilient development pathways aligned with the goals of the Paris Agreement

### OUTCOME 3:

#### LASTING INCLUSIVITY

Key actors within society are systematically engaged and empowered to contribute to accelerated NDC implementation, long-term net-zero and climate resilient development pathways

### OUTCOME 4:

#### INTERNATIONAL ENGAGEMENT

Regional and global awareness, advocacy, and partnerships are strengthened to contribute to enhanced NDC and LTS ambition and delivery capacity

**INTERMEDIATE STATE:**  
UNFCCC pledges under the Paris Agreement are translated into concrete action

**IMPACT:**  
Countries advance net zero emission and climate resilient development, in line with the Paris Agreement and the 2030 Agenda

### ASSUMPTIONS:

- There is political commitment towards tracking NDC progress and achieving the objectives of the Paris Agreement
- There is political commitment to integrate climate considerations across sectors in an inclusive and gender-responsive manner
- There is political commitment to public investment in the implementation of national climate pledges
- The private sector is willing to invest in climate action (mitigation and adaptation)
- There is political space for multistakeholder and civil society engagement
- Development partners are willing to invest in the implementation of national climate priorities and plans



# Global Climate Promise Theory of Change

**OUTPUT 1.1**  
Inclusive policies, strategies, plans and regulatory frameworks (at national, sectoral or sub-national level) in place to support NDC implementation and help achieve SDGs

**OUTPUT 1.2**  
Institutional capacities and whole-of-government coordination mechanisms strengthened to support effective, gender-responsive and inclusive NDC implementation processes

**OUTPUT 1.3**  
Inclusive and gender-responsive financing strategies, plans or investment frameworks developed to define and mobilize diverse sources of finance (international/domestic public/private sector) to support implementation of NDC actions and drive green recovery across key sectors

**OUTPUT 1.4**  
Data and transparency systems and processes for the Enhanced Transparency Framework established or strengthened to measure the achievement of NDC targets

**OUTPUT 1.5**  
Implementation of NDC measures advanced in key sectors and cross-cutting thematic areas

**OUTCOME 1: SCALE AND SPEED**  
Countries have effectively strengthened inclusive and gender-responsive governance and financing mechanisms to enable delivery and tracking of NDC targets across sectors

**INTERMEDIATE STATE:**  
UNFCCC pledges under the Paris Agreement are translated into concrete action

**IMPACT:**  
Countries advance net zero emission and climate resilient development, in line with the Paris Agreement and the 2030 Agenda

# Global Climate Promise Theory of Change

**OUTPUT 2.1**  
Countries are enabled to enhance their NDC as part of the next revision cycle and global/regional stocktaking, aligned to long-term mitigation and adaptation pathways linking with LT-LEDS and NAPs

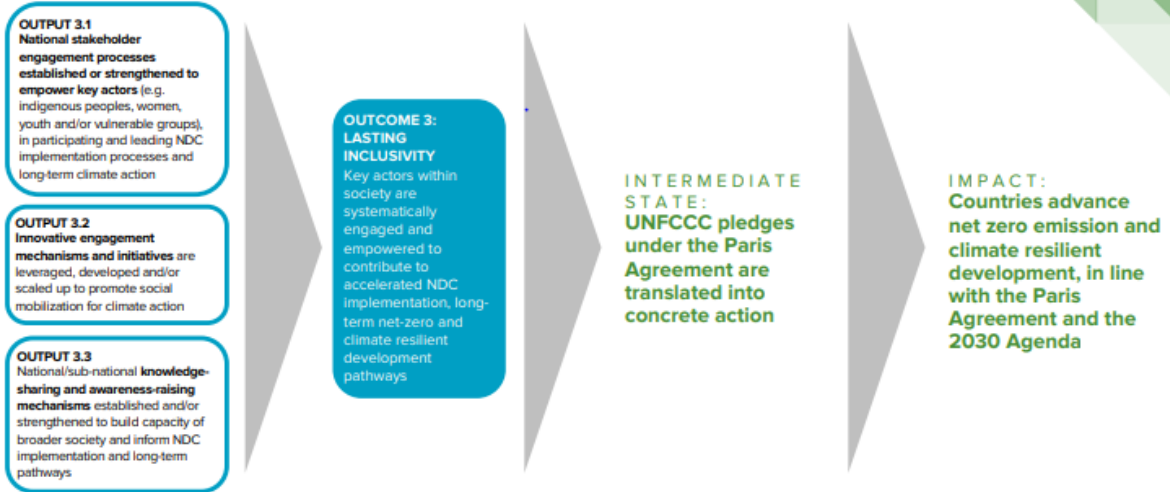
**OUTPUT 2.2**  
Strategies, resources and political will for long-term net-zero, climate resilient pathways are established or strengthened, including those with just transition measures

**OUTCOME 2: AMPLIFYING AMBITION**  
Countries have established long-term net-zero and climate resilient development pathways aligned with the goals of the Paris Agreement

**INTERMEDIATE STATE:**  
UNFCCC pledges under the Paris Agreement are translated into concrete action

**IMPACT:**  
Countries advance net zero emission and climate resilient development, in line with the Paris Agreement and the 2030 Agenda

# Global Climate Promise Theory of Change



# Global Climate Promise Theory of Change

