



*(DRAFT)*

# TA KPI 5: VOLUME OF EMISSIONS REDUCTIONS AVOIDED / SUPPORTED BY ICF TECHNICAL ASSISTANCE

ICF Technical Assistance Indicator  
Methodology Note

**Please note this document reflects the  
outputs of the project by Vivid  
Economics.**

**This is a draft methodology and is not  
currently being used by the ICF as a Key  
Performance Indicator. As such, the  
contents are subject to change.**



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The document is one of five Methodology Notes for new indicators for tracking results from technical assistance within ICF programmes, produced under the project *Understanding Technical Assistance Options in International Climate Finance*. The Vivid Economics project team includes Nick Kingsmill, Aurore Mallon, Fabian Knoedler-Thoma, John Ward and Dan Aylward-Mills.

The views expressed in this document are entirely those of the authors and do not necessarily represent the UK Department for Business, Energy and Industrial Strategy's own views or policies, or those of DAI. Comments and discussion on items related to content and opinion should be addressed to the authors.

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**OGL**

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## Acronyms

BEIS	Department for Business, Energy and Industrial Strategy
GHG	Greenhouse Gas
HMG	Her Majesty's Government
ICF	International Climate Finance
KPI	Key Performance Indicator
M&E	Monitoring and evaluation
MW	MegaWatt
NDC	Nationally Determined Contribution
NGO	Non-Governmental Organisation
TA	Technical Assistance
tCO2e	Tonnes of Carbon Dioxide Equivalent
UNFCCC	United Nations Framework Convention on Climate Change

## Summary Table

Units	Tonnes of Carbon Dioxide Equivalent (tCO2e)
Disaggregation Summary	Whether support has been provided to public sector, private sector, NGOs/civil society and/or academia within the country/countries supported; and by the sector in which the emissions abatement has been achieved
Headline data to be reported	Absolute mass of greenhouse gas emissions reduced or avoided (tCO2e)
Latest revision	October 2019
Timing issues	<p><i>When to report:</i> ICF programmes will be required to report ICF results once each year in March. Please bear in mind how much time is needed to collect data required to report ICF results and plan accordingly.</p> <p><i>Reporting lags:</i> Programme may have produced results estimates earlier in the year, for example during your programme's Annual Review. It is acceptable to provide these results as long as they were produced in the 12 months preceding the March results commission. In some cases, data required for producing results estimates will be available after the results were achieved. If results cannot be estimated until over a year away from when a results estimate will be produced, this should be noted in the results return.</p>

## Rationale

Technical assistance (TA) forms an important part of Her Majesty's Government (HMG) International Climate Finance (ICF) programming, both through specific TA programmes, such as UKPACT (Partnering for Accelerated Climate Transitions), and as one component of broader programmes alongside financial policy support, capital investment or other interventions, for example DFID's Results Based Financing for Low Carbon Energy Access.

Most monitoring and reporting approaches currently, implicitly or explicitly, assume capital spending, and so are not well suited for tracking the activities and performance of pure TA programmes. Additionally, ICF TA is often provided alongside other support such as capital investment from HMG or another development partner, TA support from other organisations, and national government financial and technical contributions. This makes it more challenging or even impossible to isolate results that are specifically attributable to ICF TA support. HMG has therefore developed a series of new indicators to support the measurement of ICF TA's contributions to results.<sup>1</sup>

<sup>1</sup> ICF KPIs take an *attribution approach* to reporting results, where programmes identify that they have had a causal role supporting results and then attribute results across ICF and any other development partners that have also played a causal role, based on the value of support provided to a programme.

As strict attribution is very challenging or impossible for TA support, these indicators take a *contribution approach* by measuring the total volume of results that ICF TA has contributed to delivering.

This indicator aims to provide a measure of the results of HMG's technical assistance programming in supporting reductions in GHG emissions or avoided GHG emissions among countries, investments or projects.

As it is challenging to attribute specific outcomes to TA support specifically, this indicator does not attempt to determine a specific volume of emissions reductions that ICF TA has causally influenced or that can be directly attributed to HMG. Instead, it measures the contribution of ICF TA to emissions abatement: the total volume of emissions reduced or avoided that have been *supported* by ICF TA. This is likely to be a broader measure than the volume of emissions reductions that may be directly attributable to ICF TA (which may not even be possible to identify in many cases of TA provision).

### **Relationship between this indicator and ICF KPI 6 (GHG emissions reduced or avoided)**

This indicator of broader emissions abatement supported by TA provides a complementary measure to the emissions reduced or emissions avoided due to direct ICF investment as measured by ICF KPI 6.

Programmes may report results under both indicators, where appropriate - please refer to the guidance in Annex B to support decisions on where and how to report emissions abatement under TA KPI 5 and/or ICF KPI 6. If reporting under both indicators, programmes should always report results separately and should not aggregate results from TA KPI 5 and ICF KPI 6.

### **Technical definition**

This indicator will report on the net change in greenhouse gas (GHG) emissions measured in tCO<sub>2</sub>e, estimated relative to an assumed business as usual emissions trajectory. The indicator should include emission reductions arising from any investment, initiative or project (including mitigation and forestry emissions abatement) supported by ICF technical assistance over the lifetime of the project.

Programmes may report emissions abated regardless of how the TA is provided, whether as policy support, climate investment support or capacity building. However, programmes should only report results where the TA is sufficiently instrumental in supporting the achievement of emissions reductions or emissions avoided for the programme to make a convincing claim to have supported those emissions reductions.

### **Technical Assistance**

TA is a form of non-financial development assistance provided by specialists, which may be either local or international, and from the public sector, private sector, NGOs or academia. This assistance can be provided in many forms, including sharing information and expertise, providing training, sharing technical data or providing access to data platforms, and consulting services. It contrasts with other forms of assistance such as capital investments or grants to support the ongoing operating costs of a programme or initiative. TA may be provided directly by ICF or through funding that allows beneficiaries to purchase TA services.

TA can be provided in many different ways and can serve many different purposes. TA services and products typically include:

- Supporting individuals in gaining knowledge or capacity through training, workshops, conferences, etc;
- Sharing information and advice through knowledge products, support for project planning or policy development, or providing data or climate information, etc;
- Sharing experience through knowledge shares and secondments, expert guidance, study tours, etc.

Please see the Annex for full definitions of TA products and services and of the behavioural or organisational changes that ICF TA has typically aimed to support, based on a 2019 review of BEIS's portfolio of international TA support.

### **ICF support**

ICF support refers to assistance provided by an HMG ICF programme that has made a contribution to climate action in a specific country. It does not include a qualification based on the volume of funding provided by ICF or whether HMG is the sole provider of support.

### **GHG emissions abatement**

This indicator will report on avoided/reduced GHG emission impacts that have been supported by TA activities within an ICF project or programme area, including emissions removed from the atmosphere. This will not capture life-cycle impacts or consumption emissions that fall outside the project or programme area. In this regard, this indicator may not comprehensively capture the full emissions impact of activities supported by ICF TA.

GHG emissions refers to the 'Kyoto basket' of GHGs which includes:<sup>2</sup>

- Carbon Dioxide (CO<sub>2</sub>)
- Methane (CH<sub>4</sub>)
- Nitrous Oxide (N<sub>2</sub>O)
- Hydrofluorocarbons (HFCs)
- Perfluorocarbons (PFCs)
- Sulphur Hexafluoride (SF<sub>6</sub>)

This indicator can apply to diverse areas of emissions abatement across many sectors of the economy, including changes in net emissions from:

- Energy supply

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<sup>2</sup> Programmes should convert GHGs other than carbon dioxide into equivalent terms using HMG's guidance on calculating the global warming potential of other GHGs using the Excel spreadsheet titled 'List of greenhouse gases with corresponding GWP' available at [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/420269>List\\_of\\_GWPs.xlsx](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/420269/List_of_GWPs.xlsx). Further information on the calculation of emissions from different greenhouse gases is available at <https://www.gov.uk/government/publications/uk-greenhouse-gas-emissions-explanatory-notes>.

- Industrial processes
- Commercial buildings
- Residential buildings
- Public sector
- Transport
- Agriculture
- Waste Management
- Land Use, Land Use Change and Forestry (LULUCF)

## Methodological Summary

To determine the volume of emissions reductions/avoided supported by ICF TA, programmes should follow the approach set out below:

### **1. Determine whether ICF TA is sufficiently instrumental in supporting emissions abatement results to justify their inclusion in reporting**

- Assess whether ICF TA is sufficiently ‘close’ to realised results, relative to other intermediary steps and the other support required to deliver emission reductions, to justify the claim that ICF has materially supported emissions reductions or emissions avoided

### **2. Quantify emissions abatement**

- For ICF programmes, calculate emissions reductions/avoided based on emissions calculation approaches as set out in ICF KPI 6<sup>3</sup>
- For emissions reductions not delivered by ICF programmes directly, calculate emissions based on externally certified or verified emissions reductions, or verify approaches taken to quantify emissions conform with good practice

### **3. Report emissions abatement supported by ICF TA**

## Methodology

To calculate the volume of emissions reductions/avoided supported by ICF TA:

### **1. Determine whether ICF TA is sufficiently instrumental in supporting emissions abatement results to justify their inclusion in reporting**

Before quantifying emissions reductions, programmes should first determine that ICF TA support has played a role in the delivery of emissions reductions or emissions avoided that is

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<sup>3</sup> Programmes should only apply the portion of the methodology relating to core calculations of emissions reductions from supported activities, and should not apply later elements of the methodology relating to attribution, disaggregation or reporting.

sufficiently strong for the programme to be confident that the TA provided was instrumental in delivering the emissions abatement.

Given the nature of TA programmes, in almost all cases there will be a number of other activities that contribute to realised emissions abatement results. These other contributions may come from elsewhere in HMG, other partners or from beneficiary actors or organisations. This may include complementary TA, capital investment or funding, policy action among supported countries, and behavioural change among actors or businesses (possibly alongside associated changes in their own spending/investment).

In contrast to more traditional results reporting approaches, programmes should therefore not attempt to quantify the degree to which TA has played a causal role and attribute a share of results according to the relative importance of the causal contributions of different partners. Instead, programmes should assess whether ICF TA has been sufficiently instrumental in supporting emissions abatement results to justify their inclusion in reporting (using the 5 guidance questions below), and report all emissions reductions in these cases. To do this, programmes should consider the theory of change within the programme and set out the case for how the TA provided has supported action, what other elements have also supported action, and how distant the TA is from the realisation of emissions abatement results. For example:

- ICF TA may be provided as project development support (such as feasibility studies) alongside project financing to a private developer of low-carbon infrastructure. The delivery of this infrastructure results in emissions abatement, and the programmes can make a clear case that the TA directly supported the results.
- ICF TA is provided at an early strategic stage to a national government to help them understand options for developing 2050 low emission development strategies. While this support may contribute to the development of national policies and ultimately to low-carbon development projects and emissions reductions, the time lag between ICF support and results, the distance between TA beneficiaries and the actors responsible for the emissions reductions, and the technical and financial inputs needed to deliver the results all mean that the programme should not claim to have directly supported these emissions reductions.
- ICF TA provided to develop a country's Nationally Determined Contribution (NDC) should not include all emissions reductions set out in that NDC under this indicator. However, if ICF TA is used to support the development of a specific sectoral investment strategy and action plan to implement NDC commitments and/or to specific investments within that plan, the programme could include those emissions reductions.

Programmes can apply a set of guideline questions to help them determine whether the TA has played a critical role in supporting the emissions reductions.

Each guideline question is intended to identify whether there is substantive uncertainty about the role of ICF TA in supporting results. Programmes should consider each question as it applies to the programme, and score a response to each question as 'yes', 'neutral', or 'no'. If a programme answers yes to more than two of the questions, they should carefully consider whether to include emissions abatement from that activity under this indicator.

1. *Is the primary goal of the TA something other than emissions abatement?*

- a. If the TA is intended to support emissions reductions, and is directly provided to and targeted towards beneficiaries that would implement these reductions,

- programmes should answer ‘no’ to this question - for example, TA supporting investments in renewable energy installations, or TA supporting policy or regulatory changes that are intended to immediately support emissions reductions such as the implementation of a feed in tariff.
- b. If the TA supports a non-abatement goal, programmes should answer ‘yes’ to this question.
  - c. If the TA supports emissions abatement and other goals equally, programmes should answer ‘neutral’ to this question.
2. *Is there a high degree of uncertainty about the scale of emissions abatement?*
- a. If the anticipated emissions reductions or emissions avoided are identifiable before or while the TA is provided, programmes should answer ‘no’ to this question - for example, emissions reductions associated with investments are clearly identifiable and quantifiable with confidence, whereas those associated with broad national policies cannot be clearly quantified with confidence.
  - b. If the scale of emissions abatement is only identifiable after the TA has been provided, this suggests the clear contribution of TA to results may be harder to claim due to overall uncertainties in achievement of outcomes, and programmes should answer ‘yes’ to this question.
  - c. If the scale of the emissions can be partially identified but remains somewhat uncertain, for example if programmes can identify the broad level of investment that will be provided to emissions reductions but only a wide range of potential associated emissions reductions, programmes should answer ‘neutral’ to this question.
3. *Are there significant other (including unknown) activities that need to be undertaken by actors not involved in the TA before the programme can be confident any emissions reductions will be achieved, and it is not yet known with confidence that these activities will take place?*
- a. TA support may be critical to unlocking action alongside policy action and investment where those supporting activities are already in place. In this case, programmes should answer ‘no’ to this question.
  - b. TA support to an activity that will require further TA support, still requires additional investors to commit, and/or still requires a shift in policy or regulations to be implemented is less likely to lead to realised emissions abatement. In this case, programmes should answer ‘yes’.
  - c. If supported activities will require some remaining but less significant activities to take place and it is not yet known that they will take place, or if there remains an undefined plan to deliver these activities, programmes should answer ‘neutral’ to this question.
4. *Is there a reasonable chance that the reductions could have been achieved without the activities the TA supported, and therefore reasonable doubt that the TA was a ‘critical’ component of achieving the emissions reductions?*
- a. In some cases investments may have secured funding and be otherwise ready to proceed, but for project development or implementation challenges that TA can

- address – in which case TA is a critical factor. In cases like these, programmes should answer ‘no’ to this question.
- b. In other cases, TA may support improved practices and efficiency of investments or increase the speed at which investments can proceed, but the emissions may have been delivered even without TA support. In these cases, programmes should answer ‘yes’ to this question.
  - c. If it is clear that TA was an important component but the degree to which activities could have proceeded without the TA is unclear, programmes should answer ‘neutral’ to this question.
5. *Is there a significant lag between the provision of the TA and the implementation of the emissions abatement activities?*
- a. If the activities to deliver emissions abatement occur promptly after the delivery of TA, programmes should answer ‘no’ to this question.
  - b. If there is a substantive delay between the TA delivery and activities to deliver emissions abatement, for example if the planned activities that are expected to abate emissions are only implemented more than four years after the TA is provided, programmes should answer ‘yes’ to this question.
  - c. If there is a shorter delay, for example on the order of 1-4 years, programmes should answer ‘neutral’.

In all cases, where programmes choose to report emissions abatement supported by ICF TA, they should include a discussion of how they determined that ICF support is sufficiently and substantively critical to results to justify the claim of having supported those results, alongside reporting quantified emissions reductions/avoided.

## **2. Quantify emissions abatement**

For all cases where TA is deemed to be sufficiently close to results to justify their inclusion in programme and ICF portfolio-level reporting, programmes should report all emissions abated that have been supported by ICF TA support.

This indicator should report realised net changes in GHG emissions from the project, reporting progress by each year of the project and providing a forecast for the remaining expected emissions reductions over the activity or investment’s lifetime. For forestry projects, this indicator should report on annual reductions and the total expected lifetime tCO<sub>2</sub>e avoided, including through GHG sequestration.

Programmes can take different approaches to quantifying emissions abatement depending on whether the emissions reductions/avoided are delivered within a specific ICF programme where programmes can directly assess emissions abatement, or whether the emissions abated are delivered by an external investment or project where HMG will need to rely on external reporting of emissions abatement.

### *Quantifying emissions abated within an ICF programme*

If the activity supported by ICF TA falls within an ICF programme directly, programmes can calculate emissions reductions/avoided based on established methodologies as set out in ICF KPI 6 ‘Net Change in Greenhouse Gas Emissions (tCO<sub>2</sub>e) – tonnes of GHG emissions reduced or avoided as a result of ICF’.

The Methodology Note for ICF KPI 6 sets out approaches and detailed worked examples for a range of different types of projects or investments, including: (a) Electricity generation; (b) Electricity energy efficiency savings; (c) Energy efficiency savings from other sources; (d) Forestry; and (e) Transport. In general, the calculation approach involves:

1. Determining emissions under a baseline counterfactual case;
2. Estimating the change in activities that give rise to GHG emissions (e.g. switch in fuel source for electricity production, switch in energy usage from energy efficiency measures, change in deforestation);
3. Calculating the change in emissions associated with underlying changes in activities through the application of ‘emissions intensity factors’ against the data on activity-level changes.

These approaches support programmes in reporting realised net changes in GHG emissions from the project, progress by each year of the project and providing a forecast for the remaining expected emissions reductions over the project or investment’s lifetime.

Programmes should only apply the portion of the methodology relating to core calculations of emissions reductions from supported activities, as discussed above, and should not apply later elements of the methodology relating to attribution, disaggregation or reporting. In particular, under this indicator programmes should **not** apply any ‘adjustment factor’ to results or attribute results as under the full ICF KPI 6 methodology. The adjustment factor is intended to account for uncertainty about ICF programmes’ causality in supporting results. However, as the results supported by TA are estimated based on ICF contributions to results, programmes do not need to make a causal assessment and so do not need to apply an adjustment factor, and do not need to attribute share of results to ICF as the contribution approach measures all results that ICF has supported.

### *Quantifying emissions abated in an external investment or project*

If the activity supported by ICF TA has not been delivered directly within an ICF programme, programmes may not have access to enough information to directly calculate the emissions abatement based on underlying data on activity changes and associated emissions reductions relative to a baseline. If programmes do not have access to data to support these independent calculations, they should instead apply calculations of emissions reductions provided by the investment or project itself.

To ensure consistency of results from this indicator when using external calculations of emissions reductions or emissions avoided, programmes should check that an appropriate independent certification or verification of emissions abatement has been used or review the calculations methodology used to ensure it meets minimum criteria for robustness. Ideally, externally calculated emissions abatement calculations should be verified through the application of an established and recognised methodology with results certified or verified by a

trusted third party, for example through the application of the Gold Standard<sup>4</sup> or the Verified Carbon Standard<sup>5</sup>.

In the absence of such methodologies, programmes should review calculation approaches to ensure they meet minimum standards:

- Calculations apply an appropriate baseline counterfactual case;
- Calculations provide sufficient detail on estimated changes in activities that give rise to GHG emissions, with clear and auditable explanations on how the volume of estimated changes were realised;
- Estimates of activity changes are based on realistic and justified changes in activity based on levels of investment or projected changes in behaviour, rather than on unspecified scenarios of potential future change – that is, calculations should not include emissions reductions set out in policies or strategies, but only those linked to specific and identified real world activities;
- Calculations estimate associated changes in emissions through the application of clearly specified and referenced ‘emissions intensity factors’ based either on reputable international data or on locally-appropriate data.

### **3. Report emissions abatement supported by ICF TA**

Report emissions reduced or avoided as a result of ICF TA support for each individual year to date and cumulatively. Programmes should disaggregate reported data based on the type of actor that has delivered the emissions abatement: public sector actors (including policies that incentivise private action and direct public sector action), private sector actors, NGO/civil society actors, or academia.

Programmes should also provide evidence supporting their calculations in notes accompanying reported data, including:

- Details on how the programme provides ‘real support’ for emissions reductions or abatement activities.
- Details on how the programme determined that ICF TA support is sufficiently ‘close’ to outcomes to justify the claim of having materially support emissions abatement results.
- Details on the calculation methodology applied to estimate emissions reductions, or on how emissions reductions calculated externally were verified.
- Country or countries in which emissions reductions/avoided are delivered, to assist with avoiding double counting of emissions reductions supported at the ICF portfolio level.

### **Worked example**

An ICF-funded project in Nigeria is supporting renewable energy deployment with the aim of reducing emissions in the electricity sector. It does so by training representatives of Nigeria’s banking sector to develop loans for low-carbon projects.

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<sup>4</sup><https://www.goldstandard.org/>

<sup>5</sup><https://verra.org/project/vcs-program/>

## **1. Determine whether ICF TA is sufficiently instrumental in supporting emissions abatement results to justify their inclusion in reporting**

After receiving the training, some Nigerian banks developed low-carbon loans. Various utility providers accessed these loans and built 40MW of solar parks in 2019. Furthermore, 20MW of solar parks were built in 2019 without a low-carbon loan.

The programme considers the questions to identify the instrumental role of TA and identifies that the TA support is sufficiently instrumental to justify the inclusion in the reporting:

- Is the primary goal of the TA something other than emissions abatement? No
- Is there a high degree of uncertainty about the scale of emissions abatement? Neutral, as the scale of finance is clear but associated emissions reductions are not completely clear
- Are there significant other (including unknown) activities that need to be undertaken by actors not involved in the TA before the programme can be confident any emissions reductions will be achieved, and it is not yet known with confidence that these activities will take place? Neutral, as some activities are required that rely on others to implement them, but these are well understood
- Is there a reasonable chance that the reductions could have been achieved without the activities the TA supported, and therefore reasonable doubt that the TA was a 'critical' component of achieving the emissions reductions? No
- Is there a significant lag between the provision of the TA and the emissions abatement? No

However, solar parks built without a low-carbon loan cannot be counted towards this indicator.

## **2. Quantify emissions abatement**

Details on the calculation of emissions reduction can be found in ICF KPI 6 'Net Change in Greenhouse Gas Emissions (tCO<sub>2</sub>e) – tonnes of GHG emissions reduced or avoided as a result of ICF'.

### *Quantify the baseline*

The additional solar parks meet energy demand that would have otherwise been provided by other alternative electricity sources.

There is no information on how the government or the private sector would have provided electricity in the absence of the solar parks (e.g. through long-term generation plans). Therefore, it is assumed that it would have been met with the current electricity mix. The current (fictitious) carbon intensity of the electricity grid is 500 gCO<sub>2</sub>/kwh.

A year has  $365 * 24 = 8,640$  hours. The assumed utilisation rate for the solar park is 10%. This implies that the annual generation from the solar park is  $8,640 \text{ h} * 40 \text{ MW} * 10\% = 34,560 \text{ MWh}$

The carbon intensity in MWh is 500 kgCO<sub>2</sub>/MWh.

The annual emissions reductions are  $34,560 \text{ MWh} * 500 \text{ kgCO}_2/\text{MWh} = 17,280,000 \text{ kgCO}_2 = 17.3 \text{ ktCO}_2$ .

### *Change in activity*

There are no emissions from the generation of solar electricity.

This approach excludes emissions from the manufacturing and installation of power plants, both in the baseline and the solar park.

### *Change in emissions*

The annual change in net emissions is the difference between the baseline and the activity after the intervention,  $17.3 \text{ ktCO}_2 - 0 \text{ ktCO}_2 = 17.3 \text{ ktCO}_2$

The solar parks are expected to produce electricity for 10 years, resulting in an expected lifetime reduction of  $17.3 \text{ ktCO}_2 \text{ pa} * 10 \text{ years} = 173 \text{ ktCO}_2$

## **3. Report emissions abatement supported by ICF TA**

The programme supported 17.3 ktCO<sub>2</sub> per year or 173 ktCO<sub>2</sub> total expected emissions over the lifetime of the investments.

The reporting should include the country (Nigeria), the sector that has delivered the abatement (private sector), the calculations on emissions reductions and details how the programme was sufficiently instrumental in delivering the emissions reductions.

## **Data management**

### **Data Sources**

Data from ICF programmes should be available directly within programmes, for example from project-level M&E or programme-level logframes.

Data on emissions reductions where the activity is not directly carried out by an ICF programme should be available from the programme implementing organisation, either through public reporting of activities or from the implementing organisation.

Ideally, the duty to collect data should be the responsibility of recipients of ICF funding, or a third-party auditing entity. This information will need to be kept up to date by liaising with programme managers.

### **Logframe Correspondence**

This indicator is primarily intended as an *impact* indicator.

However, indicators may be used at different levels of the results chain across different programmes as they may have different time horizons and different ambitions – other levels might also be appropriate depending on the programme context. Programmes should locate this indicator within their logframes in line with the programme design.

### **Most Recent Baseline**

The baseline should reflect the situation prior to ICF funding being provided, and anticipated projections of what would happen without the ICF TA support and any associated other programme investment or other support. For long running programmes, the baseline should be

taken as 2015 unless otherwise stated. The baseline should align with the economic appraisal in the project/programme design.

## Data Issues / Risks and Challenges

There may be varying degrees of quality of data, from data generated by large HMG projects with high quality, to that produced by multilateral partners with their origin in government partners' data systems or directly from implementing organisations, which may be of lower quality and require further verification.

## Quality Assurance

All results estimates should be quality assured before they are submitted to the ICF central team, ideally at each stage data is received or manipulated. For example, if data is provided by partners, this data should be interrogated by the programme team for accuracy, or at the very least data should be sense checked for plausibility. When converting any provided data into results data, quality assurance should be undertaken by someone suitable and not directly involved in the reporting programme. Suitable persons vary by department; this could be an analyst, a results / stats / climate and environment adviser / economist.

Central ICF analysts will quality assure results that are submitted and this may lead to follow up requests during this stage.

To avoid inherent reporting biases, it is strongly recommended that, where possible, data collection is undertaken by a third party that is not directly involved with implementing the project. Where not possible, consider using independent evaluations or alternative means to periodically check the validity of results claims.

Any concerns about data quality or other concerns should be raised with your ICF analysts and recorded in documentation related to your results return.

## Data disaggregation

Programmes should disaggregate reported data based on the actor that has received support from ICF technical assistance.

- **Public sector** – Public sector actors such as national governments, sub-national regional or local governments, governmental agencies or other public bodies.
- **Private sector** – Private sector such as businesses, financial institutions, smallholder farmers and private actors, such as households. For private actors operating across multiple countries, the reporting country should be determined on where the TA is expected to have an impact.
- **NGO/civil society** – NGOs, philanthropic organisations or civil society groups. For organisations operating across multiple countries, the reporting country should be determined on where the TA is expected to have an impact.
- **Academia** – Academic institutions or organisations.

Where programmes have supported multiple categories of actors, programmes should report each type of actor supported for the given country – but should take care to avoid double-counting when reporting aggregate country-level results.

## Volume of emissions reductions/avoided supported by ICF technical assistance

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Results should also be disaggregated based on the sector in which the emissions abatement is achieved, in line with disaggregation guidance for ICF KPI 6. Emissions reductions / avoided should be disaggregated by sector as defined by the *UNFCCC Inventory Categories*:

- Energy supply
- Industrial processes
- Business
- Public
- Residential
- Transport
- Agriculture
- Waste management
- Land use, Land Use Change and Forestry (LULUCF)

DRAFT (SUBJECT TO CHANGE)

## Annex A: Common forms of Technical Assistance in ICF Programmes

Technical assistance is a broad term and includes a diverse set of means and aims of support. This annex defines the different types of TA products and services typically offered in ICF programmes (i.e. what is provided in practice) and common categories of TA support (i.e. what the TA aims to achieve).

### Common TA products and services

TA can be provided in many different ways and to serve many different purposes. TA services and products typically include:

- Supporting individuals in gaining knowledge or capacity through training, workshops, conferences, etc;
- Sharing information through knowledge products, support for project planning or policy development, or providing data or climate information, etc;
- Sharing experience through knowledge shares and secondments, expert guidance, study tours, etc.

The table below provides an indication of where different TA products and services are most useful across those three areas.

TA product or service	Description	Supporting individuals	Sharing information	Sharing experience
Workshops	Presentations or discussions among small- or medium-sized groups	x	x	x
Training events and courses	Events or courses aimed to build understanding or capacity, can be one-off or a course of training, conducted externally or in-house	x	x	
Conferences, seminars or networking events	Larger forums to share information and/or foster relationships between different actors	x	x	
Secondments	Providing personnel to augment capacity, including short- or longer-term placements	x		x
Specialist research	Traditional consultancy-type services that address specific, practical questions and provide recommendations, including market, policy, legal, regulatory and technology research briefs		x	x
Strategic organisational guidance	Operational plans and systems e.g. HR planning		x	x

TA product or service	Description	Supporting individuals	Sharing information	Sharing experience
Expert guidance and review	Ad-hoc expert input on different issues, including direct provision of guidance and recruitment or provision of longer term of expert staff		x	x
Product or technology demonstration	Demonstration of certain products or technologies to build understanding among users or policymakers		x	x
Study tours and roadshows	Educational or informational trips for beneficiaries to learn from others, including on technology use, technical and business practices, policy approaches		x	x
Public awareness campaigns	Engagement with civil society and/or the public to build awareness		x	
High level delegations	Engagement on ministerial or equivalent level to build high-level political interest	x	x	x
Data, software, tools and models	An output that can be used to support decision-making, typically across multiple decisions		x	
Research and development	Research and development (R&D) services, may include commercial or academic research		x	

### Common categories of TA support

The categories of TA support are based on a review of existing BEIS TA and a sample of DFID TA, classified by the goal the TA aims to support.

#### *Capacity building*

- Institutional capacity building: Building capacity by improving institutional processes within organisations or helping establish new institutions
- Technical capacity building: Building capacity by improving technical expertise within organisations

#### *Policy Support and Evidence*

- Awareness raising: Bringing attention to a certain programme, project, cause, or issue
- National policy support: Assisting in the design, update, or operation of a national policy in a supported country

- International policy support: Assisting in the design, update, or operation of an international policy

*Project and Investment Support*

- Project development support: Providing assistance to develop projects more quickly or more effectively
- Process/asset operation support: Providing guidance to improve operational aspects of stakeholder
- Financing support: Providing assistance to developing financial offerings, financial instrument or arrange access to finance
- Public-private co-ordination support: Supporting collaboration between public and private actors for the development of climate-relevant investment

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## Annex B: Guidance on reporting results across this indicator and ICF KPI 6

Where programmes provide both TA and capital support and so could potentially report results under both ICF KPI 6 and this indicator, or where another ICF programme provides capital towards the same activities or beneficiaries as a TA programme and could report results under ICF KPI 6, programmes can elect to report results under both this indicator and under ICF KPI 6.

In these cases, programmes should refer to the guidelines below on how to report results under both indicators in these cases.

1. Programmes should identify any activities or investments supported by TA through the programme and that give rise to emissions abatement that are also supported by capital from the same programme or from another ICF programme.
2. In these cases, programmes may report **both** all emissions abatement supported by TA under this indicator, and appropriately calculated emissions abatement results under ICF KPI 6.
  - Note that results from ICF KPI 6 and this indicator should therefore never be aggregated, as this would risk double counting cases where emissions abatement results are reported under both indicators.
  - It is nonetheless appropriate to report each set of results separately, as the two indicators track different concepts – the emissions reductions directly attributable to ICF investments, and the scope of ICF TA support for emissions reductions activities.<sup>6</sup>
3. For results to be reported under ICF KPI 6, programmes should identify the emissions abatement consistent with the ICF KPI 6 methodology note.
  - In cases where a programme reports aggregate results from a programme that provides both capital and TA components, these results would implicitly include results from TA support under ICF KPI 6.
  - Nonetheless, programmes should apply the full ICF KPI 6 methodology, including the use of adjustment factors and attribution approaches.
  - Programmes may also choose to report all emissions abatement under ICF KPI 6 rather than across both ICF KPI 6 and this indicator. If taking this approach, please discuss with your local analyst for guidance on the attribution of results across TA and capital support within ICF KPI 6 reporting.
4. For results to be reported under this indicator, calculate emissions abatement supported by ICF TA support using the methodology set out in this note.

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<sup>6</sup> This logic is parallel to the logic supporting reporting under ICF KPIs 1, 2, 3 and 4. ICF KPI 1 (Number of people supported by ICF programmes to cope with the effects of climate change) may include many or all of the same people captured under KPI 2. (Number of people with improved access to clean energy as a result of UK-ICF programmes), KPI 3 (Number of forest dependent people with livelihoods benefits protected or improved as a result of ICF support) and/or KPI 4 (Number of people with improved resilience as a result of UK-ICF support) – and indeed the same people may be included under two or more of KPIs 2, 3 or 4. However, as these indicators are not aggregated at the portfolio and as they measure different concepts, it is appropriate to report results under each indicator – they provide complementary measures of related but different results.

## Volume of emissions reductions/avoided supported by ICF technical assistance

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- Note that while ICF KPI 6 includes an adjustment factor to account for uncertainty around the extent of causality in ICF action and quantified results, this indicator does not include any adjustment factor.
5. Report results under their respective indicators.
- If a separate ICF programme has supported the emissions abatement activities (rather than the same programme) provide a note of the programme name alongside reported data.

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## Annex C: Guidance on the use of this indicator methodology to support appraisals

The direct results from this indicator (volumes of emissions reduced or avoided) are not suitable for incorporation into a traditional cost-benefit analysis appraisal, but in principle can be converted into a monetary value using established ICF guidance for use in Cost-Benefit Analysis. Expected direct results could be used as an input to modified or alternative appraisal approaches, such as cost-effectiveness analysis (based on the unit cost of achieving results in informing policies) or multicriteria analysis.

However, direct conversion of expected results from the application of the methodological approach in this indicator – whether in volumetric terms or in monetised terms – risks overstating the expected benefits. The approach taken in this indicator does not attempt to attribute a share of emissions reductions to the specific TA component of programmes, but rather measures all emissions in a programme where TA has been provided. If TA is provided alongside other interventions, counting the emissions resulting from those interventions and those from TA using this indicator may lead to double counting. This could lead to inflated benefit-cost ratios or cost-effectiveness ratios.

Programmes therefore need to take a careful approach to identifying where it is appropriate to include TA-supported emissions reductions in appraisal, and also consider how to attribute those emissions reductions to the TA element of a programme if other TA or capital spend has been provided by the same or another programme. To generate estimated results for the purposes of appraisal, users should:

- 1. Identify those programmes where it is appropriate to claim and quantify expected emissions reductions/avoided as a result of ICF TA support.** Programmes should only include quantified emissions abatement in the cases where they can be very confident that the TA is critical to the expected emissions abatement activities.
  - a. When TA programmes are highly instrumental, their contribution to outcomes may be judged to approach the assessment of causality required for ICF KPIs, and therefore enable an attribution approach to estimating results.
  - b. This can be assessed by application of the five questions to determine instrumentality of TA support. It is expected that programmes should only include cases where they can answer 'no' to all five questions, and where the TA support is closely linked to the emissions reduction outcomes, such as in cases where the TA is provided alongside capital investment to support activities directly delivering emissions reductions.
  - c. Where programmes cannot be satisfied that the TA support is integral to the realisation of clear emissions reductions, they should not include quantified emissions reductions within appraisals. However, programmes may still choose to include these results as a quantitative or qualitative element within a multicriteria analysis to support decision making.
- 2. For those cases identified in step 1, programmes should quantify expected emissions reductions/avoided based on clearly specified expected activities within the programme/investment/activity.** This should follow the logic for calculating emissions reductions set out above and in detail for individual activities under ICF KPI 6, and should be calculated against an appropriate counterfactual scenario.

- a. When making these calculations, programmes should refer to ICF appraisal guidance and the Green Book for guidance on common methodological approaches on accounting for risk and probabilities in appraisal, and should ensure calculations are in accordance with KPI 6 guidance on managing uncertainty in ICF causality in bringing about results.<sup>7</sup>
  - b. Note that this methodological step differs from the approach when using this indicator to report ex-post results, which does not require similar application of appraisal techniques.
3. **Attribute expected emissions to TA and capital investment elements of programmes based on the value of support provided and the relative importance of different types of support.** Programmes should attribute the total results across the different financial and TA support to the activity. In attributing results, programmes should follow an ‘attributional weighting’ approach similar to the OECD guidance for attributing mobilised private finance results (discussed in more detail in ICF KPI 12).
- a. Under this approach, programmes should attribute 50% of all results to the supporting activities that have been identified as the most critical to supporting outcomes (based on the face value of funding for those critical elements), while the remaining 50% of results should be allocated across all support (based on the face value of funding for all elements). In line with ICF KPI approaches, programmes should only use development partner funding when calculating attributional weighting, and should not include developing partner country or private sector financing.
  - b. To determine which elements of support are critical, programmes should apply the logic under question three to identify whether support is critical – *Are there significant other (including unknown) activities that need to be undertaken by actors not involved in the TA before the programme can be confident any emissions reductions will be achieved, and it is not yet known with confidence that these activities will take place?* By applying this question to all elements of technical assistance and financial support, the programme should identify which elements are ‘critical’ to achieving results. In applying this approach, programmes may need to liaise with external partners (where other HMG departments or external organisations have also provided TA or financial support) to agree which activities are critical.

### Example 1

An ICF programme provides £1 million in TA support targeted at addressing project development barriers for forestry projects. The programme also provides £3 million in project financing to serve as an incentive to encourage private developer engagement, however, the programme designers identify that the provision of TA is the critical element in unlocking results, as the domestic financial market has provided finance for well-structured similar projects previously.

Under the ‘attributional weighting’ approach, 50% of projected emissions reductions should be allocated to the TA element of the programme, and the remaining 50% should

<sup>7</sup> For example, Green Book approaches include the application of scenario-based or probability weighted expected results arising from reported activities. KPI 6 guidance includes the application of an adjustment factor to account for uncertainty that ICF support (as opposed to support from co-funders) was causally responsible for results.

be split across all funding based on the share of total face value funding. The TA component should therefore be attributed 62.5% of emissions reductions – all of the 50% allocated to the most critical component, and 12.5% (25% of 50% of the remaining funding, based on £1 million in TA funding out of £4 million in total funding). This 62.5% proportional share of results should be applied to all anticipated emissions reductions after the application of appropriate appraisal calculations.

### **Example 2**

An ICF programme supports the development of solar energy projects through a combination of TA for project developers and capital investment. ICF provides £1 million in TA support and £2 million in capital to support individual investments, and a development partner provides matching capital of £2 million. Both ICF and the partner investor agree that the capital is the critical element of the programme due to financing shortfalls in the target country. The TA is intended to provide complementary support in speeding up project development and delivery, but both partners estimate that emissions results would occur even in the absence of the TA.

Under the ‘attributional weighting’ approach, 50% of projected emissions reductions should be divided among ICF and the partner based on the capital investments, as they have been identified as critical. The remaining 50% of emissions should be allocated across all project elements based on the face value of funding. Therefore, 10% total – calculated as 20% (£1 million in TA funding out of £5 million total funding) of the remaining 50% of emissions – would be attributable to TA support. This 10% proportional share of results should be applied to all anticipated emissions reductions after the application of appropriate appraisal calculations.

4. **Use the attributed share of total emissions reductions in cost-effectiveness or multicriteria analysis appraisal, or monetise the share of emissions for inclusion in Cost-Benefit Analysis.** Programmes should use the share of emissions reductions that can be attributed to the TA component of the work within appraisals of that TA support, either in absolute terms or monetised through the application of the ICF’s emissions valuation methodology.

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