Market Accelerator for Green Construction – Evaluation and Learning

Process evaluation report

Logo - Open Government Licence

© Crown copyright 2024

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit [nationalarchives.gov.uk/doc/open-government-licence/version/3](http://nationalarchives.gov.uk/doc/open-government-licence/version/3/) or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk).

Where we have identified any third-party copyright information you will need to obtain permission from the copyright holders concerned.

Any enquiries regarding this publication should be sent to us at: transparency@ics.gov.uk

Contents

[List of acronyms 4](#_Toc166000918)

[Executive summary 6](#_Toc166000919)

[1. Introduction 10](#_Toc166000920)

[2. Methodology 12](#_Toc166000923)

[3. Context and overview of the MAGC programme 17](#_Toc166000929)

[4. Programme delivery 21](#_Toc166000932)

[4.1 Overview of MAGC programme delivery 21](#_Toc166000933)

[4.2 Process map 26](#_Toc166000934)

[5. Process evaluation findings 27](#_Toc166000935)

[5.1 MAGC Theory of Change 27](#_Toc166000936)

[5.2 MAGC Management approach 38](#_Toc166000942)

[5.3 Programme countries and projects 54](#_Toc166000949)

[6. Conclusions and recommendations 62](#_Toc166000956)

[6.1 Conclusions 62](#_Toc166000957)

[6.2 Recommendations 63](#_Toc166000961)

[6.3 Wider lessons 67](#_Toc166000965)

[Annex 1: Evaluation framework 69](#_Toc166000966)

[Annex 2: Technical annex and ethical considerations 76](#_Toc166000967)

[Annex 3: Political economy analysis 91](#_Toc166000974)

[Annex 4: Use and influence plan 92](#_Toc166000975)

[Annex 5: Bibliography and list of consultees 97](#_Toc166000976)

[Annex 6: Process evaluation interviews topic guide 100](#_Toc166000979)

[Annex 7: MAGC Theory of Change 110](#_Toc166000994)

[Annex 8: Theory of Change review and revised diagram proposal 115](#_Toc166000995)

[Annex 9: Terms of Reference 124](#_Toc166000999)

# List of acronyms

BII British International Investment

BFC Blended Finance Committee

BFD Blended Finance Department

CAFI Climate Assessment for Financial Institutions

CBD Climate Business Department

CDI Development and Impact Measurement Team

DESNZ Department for Energy Security and Net Zero

DFIs Development Finance Institutions

EDGE Excellence in Design for Greater Efficiencies

EQ Evaluation Question

FIG Financial Institutions Group

FIs Financial Intermediaries

FY Financial Year

GDP Gross Domestic Product

GEDSI Gender Equality, Disability and Social Inclusion

GHG Greenhouse Gas

ICF International Climate Finance

IEA International Energy Agency

IFC International Finance Corporation

IRB Interest rate buydown

MAGC Market Accelerator for Green Construction

MAF Mitigation Action Facility (previously “NAMA”; Nationally Appropriate Mitigation Actions)

MDBs Multilateral Development Banks

NDC Nationally Determined Contribution

ODA Official Development Assistance

PBI Performance-based incentives

SDGs Sustainable Development Goals

ToC Theory of Change

UCAP Urban Climate Action Programme

UK United Kingdom

US$ United States Dollar

UKEF UK Export Finance

VPU Vice Presidency Unit

WBG World Bank Group

# Executive summary

The UK Department for Energy Security and Net Zero (DESNZ) has appointed Ipsos as a Monitoring, Evaluation and Learning (MEL) Partner for the International Climate Finance (ICF) Market Accelerator for Green Construction (MAGC) programme. The objective of the MEL partnership is to produce a process, outcome, impact, and value for money evaluation, split into two phases: interim, running from July 2023 to October 2024, and final evaluation, running from July 2026 until the end of 2027.

MAGC is a joint initiative by DESNZ and the International Finance Corporation (IFC) which forms part of DESNZ’ broader portfolio of ICF programmes. Through its activities, MAGC engages with financial institutions and stakeholders from the construction industry with the aim to accelerate the certification and construction of green buildings in targeted countries and to demonstrate the benefits of green buildings. It does so through its four components: advisory services and concessional blended finance investment to Financial Intermediaries; country-level advisory services; maintenance and improvement of the EDGE certification system; and MAGC research programme.

#### Aims, scope and methodology

This report sets out the findings from the process evaluation phase. Alongside this technical report a short report has also been published[[1]](#footnote-2). The process evaluation is the first phase (phase 1a) of the interim evaluation of MAGC, which focuses on a review of:

* the programme Theory of Change (Evaluation Question - EQ2: To what extent are the results mechanisms illustrated in the Theory of Change of MAGC accurate?),
* the design and processes of the management approach of MAGC (EQ1: To what extent, and in what ways, has the management approach agreed with the Delivery Partner been appropriate and effective for MAGC?),
* the processes of country and project selection to assess relevance of the programme in the countries it operates (EQ3: How effective are the choice of countries/projects in fulfilling MAGC’s objectives and supporting the UK’s International Climate Finance strategy?*[[2]](#footnote-3)*).

The aim of this process evaluation is to provide insights and inform the current delivery of the programme. This report is based on primary and secondary research activities carried out between November 2023 and February 2024, including a review of the Theory of Change, 29 stakeholder consultations (15 with programme stakeholders in DESNZ and IFC and 14 with stakeholders external to MAGC), a light-touch Political Economy Analysis in the 24 countries where MAGC operates, a process mapping exercise, a review of 30 programmes (out of which 27 were ICF programmes), and a Gender Equality, Disability and Social Inclusion (GEDSI) learning assessment. The temporal scope includes MAGC activity since 2018, and geographical scope includes all 24 countries where MAGC operates, with qualitative research concentrated on the countries with substantial delivery to date[[3]](#footnote-4) (18 out of 29 interviews conducted in this phase were at country-level).

#### Key findings

MAGC Theory of Change

The programme Theory of Change demonstrates several strengths, including clear long-term objectives, relevance to the policy context, and valid causal pathways, but there is room for improvement to enhance its effectiveness. This conclusion is supported by evidence gathered through the internal and external stakeholder consultations, secondary data review, and comparisons with other programmes.

All interventions should be underpinned by a Theory of Change that is logical, reflects how the intervention was designed or how it is currently conceived and being delivered, has buy-in from all relevant programme stakeholders (i.e., those who designed and will deliver the intervention agree on its scope and logic), and is testable within an evaluation (i.e., is clear as to how change will be achieved, what that change looks like, and what the potential barriers to and enablers of change are). The Theory of Change should also reflect any complexities around how change will be achieved – e.g., dependencies and ‘feedback loops’, whereby change is iterative or cyclical. Taking these principles of evaluability and accuracy, the evaluation team reviewed the MAGC Theory of Change for its accuracy and its internal and external validity.

Stakeholder consultations and literature external to the programme validated the main mechanisms and assumptions of MAGC’s Theory of Change towards the aim of accelerating the green building market. While views differed on the roles of public and private sectors in driving change, the findings confirm the importance of a full ecosystem approach to accelerate green construction, with a need for financial mechanisms, technical assistance, and regulatory support.

Management approach

The management approach and monitoring and governance processes in place are generally suitable, appropriate, and working well, but communication could be improved. There were some tensions in programme management between IFC and DESNZ stakeholders around the level of involvement of DESNZ and the reporting requirements. Whilst the latter were in line with the requirements across the ICF portfolio, IFC perceived it to be greater than experienced on other programmes and of what it was agreed in the Administration Agreement.

The programme’s management approach (both regarding the programme’s overall strategic decision making, governance processes, and the approach to delivery) has shown a high degree of flexibility and adaptability, which has enabled the programme to react in real-time to new opportunities and to changes in context. Decision-making processes are quick due to IFC’s authority to decide on investments without DESNZ approval. When reviewed against other programmes in the ICF portfolio, MAGC sets itself apart through its focused approach on green buildings and its unique concessional finance model, contrasting with the broader scope and grant funding model seen in other programmes. These findings draw on a review of relevant programme documentation and evidence from stakeholder consultations, including with stakeholders involved in other programmes similar in certain aspects to MAGC. The analysis is also underpinned by a process map of the MAGC management approach.

Gender Equality, Disability and Social Inclusion

Gender Equality, Disability and Social Inclusion considerations were not part of the MAGC's design phase, as foreseen in the programme business case. The importance that GEDSI now has for DESNZ and the need for IFC to start to include GEDSI considerations in the programme emerged as a key point in the learning assessment.

Programme countries and projects

The choice of countries for MAGC implementation is based on clear selection criteria and aligns well with the strategic objectives of both IFC and DESNZ, as well as with the needs of the countries considered. However, the balance between the breadth and depth of the intervention emerged as an area of consideration in the evaluation, with the high number of countries supported potentially limiting the transformational change potential of the programme. While there was consensus among programme and country level stakeholders that having an eligible country pool allows to pursue opportunities more flexibly, there were some concerns around diluting the funding by supporting such a large range of countries and potentially limiting the achievement of transformational change. Based on the evidence collected through primary and secondary data collection, the current portfolio of investments appears coherent, relevant, and capable of having a transformational impact in the investment countries. It is, however, too early to establish whether the investment portfolio is achieving transformational change.

As of the financial year (FY) 2023, the MAGC programme had implemented 13 investment projects in six countries (Indonesia, Egypt, Colombia, Peru, South Africa and India) corresponding to a total of US$34.45 million in UK public sector financing. The 24 countries eligible to participate in MAGC were selected based on assessment criteria which included the climate investment potential, alignment with country government priorities, exposure to climate risks, urbanisation and the development of the green building market.

#### Recommendations

To better reflect the programme's complexities and interconnectedness, the Theory of Change could be adapted in several ways:

* The connections between the programme's components should be more explicitly illustrated, emphasising their synergies in achieving MAGC's objectives.
* It should incorporate the programme’s market creating mechanism. This is currently a missing channel in the Theory of Change.
* Clarifying the timing of outcomes and distinguishing between outputs, outcomes, and impacts would improve alignment with Logframe indicators and provide a more accurate representation of the programme's progress.
* DESNZ and IFC should consider periodic reviews and updates to the Theory of Change to ensure it stays a living document/tool.

To further strengthen the management of the programme going forward, the main recommendations concern:

* Improving communication and expectation-setting between DESNZ and IFC regarding monitoring, reporting, and potential adaptations to ensure smoother programme delivery.
* Decision-making outside of formal governance processes should be promptly formalised to ensure decisions are captured and relevant stakeholders are informed.
* There is room for greater communication and involvement of DESNZ and overseas UK missions and agencies (e.g., embassies) in the delivery of the MAGC programme, to leverage existing networks, support engagement (particularly of public sector stakeholders) and better understand the country context.

The portfolio of MAGC countries and projects could be improved by:

* Regularly reassessing the breadth versus depth of intervention, for example by developing a set of criteria for assessing potential countries, which could be reviewed and updated annually. These could include the country’s current status and readiness for green construction, the potential for impact, the level of government support for green construction, and any social, regulatory and environmental considerations.
* Tracking transformational impact of investments, for example, by compiling all decisions on why an investment was considered transformational in one document (currently only tracked at programme level), and/or a dynamic typology for assessing the investment opportunities.
* Coordinating and aligning with complementary interventions, for example by considering complementarities with resilience and adaptation-focused programmes (by UK government and other international cooperation donors) in countries most vulnerable to climate disasters, as the incentives for green construction could be facilitated.

In terms of GEDSI Learning for future programme design, opportunities for improvement mainly lie:

* At the design stage, through detailed situation analysis and effectively disaggregating monitoring indicators.
* The involvement of GEDSI experts in programme management is recommended for ensuring comprehensive inclusion and accountability.

These measures will ensure a more holistic approach to GEDSI, targeting not only gender but also disability, socio-economic background, and other forms of marginalisation. The incorporation of GEDSI into selection criteria and investment decisions would need an assessment of feasibility to consider other facilities currently active at IFC in this space and the potential overlap with MAGC.

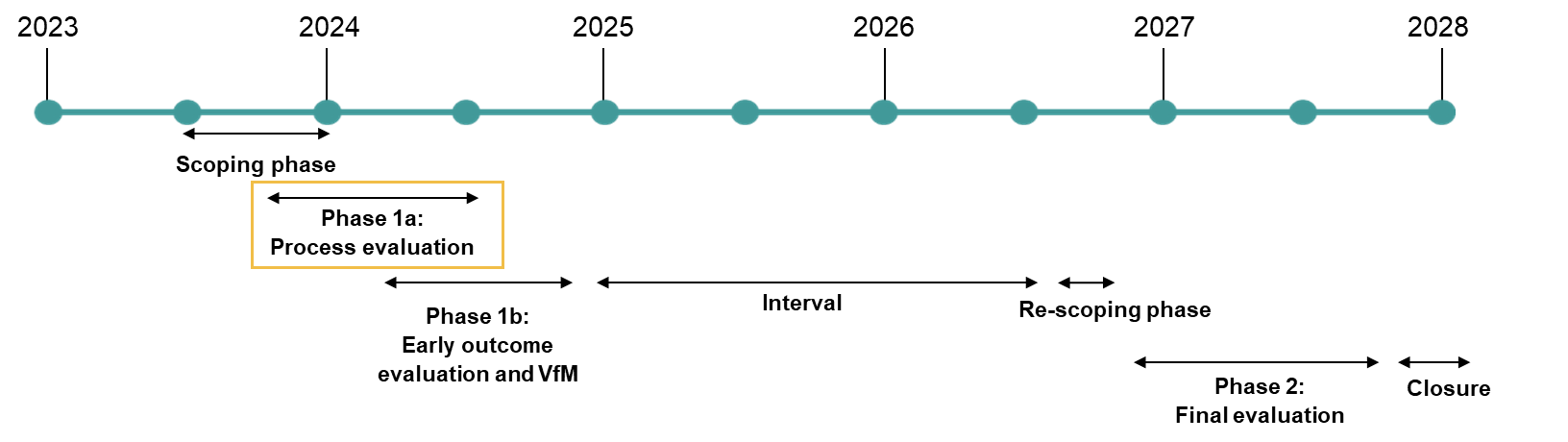
# 1. Introduction

Ipsos has been commissioned by the UK Department for Energy Security and Net Zero (DESNZ) to be the evaluation and learning partner for the ICF programme Market Accelerator for Green Construction (MAGC). The objective of the contract is to undertake a process, outcome, impact, and value for money evaluation.

## 1.1 The purpose of this document

This evaluation is split in the interim and the final evaluation phases. The interim evaluation started with a scoping phase and is running from July 2023 to October 2024. The final evaluation will be conducted from July 2026 until the end of 2027.This report presents the findings of the process evaluation of MAGC, which is part of the first phase (phase 1a) of the interim evaluation. The figure below shows a timeline of the phases of this evaluation and how the process evaluation (in yellow) sits within the overall timeline.

Figure 1.1 Timelines of the evaluation



While phase 1a is focused on process evaluation questions, phase 1b (Early Outcome evaluation) will focus on the early results of the programme, and outcome-related questions. The process evaluation is focused on the design and processes of the management approach of MAGC, a review of the programme Theory of Change to test the validity of its mechanisms, and the processes of country and project selection to assess relevance of the programme in the countries it operates. The aim of this process evaluation is to provide insights and inform the current delivery of the programme and help planning any potential future extension of the programme. It also forms the basis of the evaluation team’s understanding of the programme, upon which the upcoming phases of the evaluation will build.

## 1.2 Structure of the report

The report is structured as follows:

* Section 2 provides an overview of the methodology used for this phase of the evaluation
* Section 3 outlines the context and overview of the MAGC programme
* Section 4 describes the programme delivery so far and the process maps developed by the evaluation team
* Section 5 presents the process evaluation findings against the evaluation questions
* Section 6 contains the conclusions, recommendations, and lessons learned.

# 2. Methodology

## 2.1 Evaluation objectives, scope and approach

The key aims and objectives of this evaluation and learning contract are:

* To assess whether the programme is achieving its intended benefits through a process, outcome, impact, and value for money evaluation.
* To maximise learning from the evaluation to inform the delivery of MAGC, as well as to inform future strategic decisions.
* To disseminate lessons learned more broadly on what works, why and in what contexts in interventions that aim to incentivise the green buildings sector.

The key objectives of the process evaluation are the following:

* Inform and improve MAGC strategy and governance.
* Inform and improve programme design learning for any potential programme extension and future similar programmes.
* Learn about how Gender Equality, Disability and Social Inclusion (GEDSI) can be designed in any potential programme extension and future similar programmes.

The overall evaluation employs a theory-based approach, and in particular realist evaluation[[4]](#footnote-5), to assess the programme outcomes, given the complex setting of the MAGC programme and the importance of contextual factors. The process evaluation was carried out using qualitative primary data collection and stakeholder workshops, and secondary data collection through document review. The scope considered for the process evaluation is as follows:

Temporal scope: activities of MAGC since its inception in 2018 until the end of the process evaluation in February 2024

Geographical scope: programme-level (T0), all countries where MAGC operates (T1) and qualitative research focus on T2 (MAGC countries with substantial delivery to date).

|  |  |  |
| --- | --- | --- |
| Level | Definition | Countries involved |
| T0 | Programme management level | N/A |
| T1 | All countries where MAGC operates | 24 countries[[5]](#footnote-6) |
| T2 | MAGC countries with substantial delivery to date | 11 countries[[6]](#footnote-7) |

Findings from the process evaluation are intended to be used mainly by programme stakeholders at DESNZ and IFC to learn about delivery of the programme so far and inform future delivery. However, findings are also relevant to stakeholders external to the programme, namely: other programme leads and officers at DESNZ, ICF programme leads and officers from the Department for Environment, Food, and Rural Affairs (Defra), and the Foreign, Commonwealth, and Development Office (FCDO), IFC stakeholders working on similar programmes, as well as UK embassies where MAGC is active. Through learning about what worked well and less well for this programme, stakeholders can gain insights that could be used in future programmes design.

### Process evaluation questions

The process evaluation aims to answer three main evaluation questions:

EQ1: To what extent, and in what ways, has the management approach agreed with the Delivery Partner been appropriate and effective for MAGC?

EQ2: To what extent are the results mechanisms illustrated in the Theory of Change of MAGC accurate?

EQ3: How effective are the choice of countries/projects in fulfilling MAGC’s objectives and supporting the UK’s International Climate Finance strategy?

Annex 1 contains the evaluation framework for the process evaluation, including judgment criteria and analytical approaches. The purpose, objectives, scope, and evaluation questions of the process evaluation are aligned with the Terms of Reference and there have been no significant deviations.

## 2.2 Work completed to inform this report

The list below provides an overview of the activities carried out between November 2023 and February 2024 to inform this report. Before this phase, a three-month scoping period (August-October 2023) has allowed the evaluation team to develop an understanding of the programme and further refined the methodological approach, supported by desk research work, six interviews with DESNZ and four interviews with IFC. The scoping report enabled to refine the methodology for the process evaluation and for the subsequent phases of the evaluation. For more detail on the methodological approach, see Annex 2 (Technical annex).

* Theory of Change review and workshop: a 1.5-hour online workshop to review the programme Theory of Change, chaired by Ipsos and attended by the core teams at DESNZ and IFC.
* Political economy analysis: a light-touch political economy analysis (PEA) has been carried out for T1 countries (all MAGC eligible countries). This included a high-level review of the countries’ political and economic context, and specific context of climate policy (see Annex 3).
* Process mapping: the evaluation team, through interviews and documentation review, updated the process map included in the scoping report with more detailed information. This is presented in Section 4 of this report.
* Consultations with programme and external stakeholders: 29 interviews were conducted (15 with programme stakeholders at DESNZ and IFC, and 14 with stakeholders external to the programme). These included interviews with the core programme team at DESNZ and IFC, in-country IFC offices responsible for the delivery of MAGC, stakeholders at DESNZ responsible for other ICF programmes with similarities to MAGC, and at country level, stakeholders from UK Embassies/High Commissions, Green Building Councils or Associations, policymakers. Annex 5 contains the list of consultees, and Annex 6 the interviews topic guide.
* Review of other programmes: during the scoping stage, the evaluation team carried out a review of ICF programmes to some extent similar or complementary to MAGC, based on their sector, area of focus, and type of intervention. During the process evaluation phase, interviews were conducted with stakeholders from two programmes considered to be most similar to MAGC, at programme level, and questions about similar programmes operating at country level were included in the country-level interviews. Section 5.2 of this report presents the findings of the review.
* GEDSI learning point: one of the aims of the process evaluation is to identify any learnings or missed opportunities in terms of GEDSI. As part of the programme level and country-level interviews, the evaluation team has collected views from programme team and external stakeholders on how GEDSI could be considered for future programme design, and any examples from similar programmes.

Relevant stakeholders within IFC and DESNZ have been provided the opportunity to review the findings across the different primary and secondary data strands. The process evaluation report presented reflects all feedback provided.

## 2.3 Limitations

* Balancing views of stakeholders and ethics: This report aims to present a comprehensive representation of stakeholder perspectives and indicate the origins of views, while maintaining a balance with preserving stakeholder confidentiality and on the limitations of protecting commercially sensitive information IFC can provide on active transactions. While we have tried to attribute each perspective to the respective stakeholder group, specific identification is not possible, which may result in a less precise understanding of who held which view.
* Size of purposive sample: Programme and external stakeholders were sampled to achieve a good balance of breadth and depth within the study budget. However, especially for external stakeholders, it should be acknowledged that this still represents a relatively small sample that could limit the breadth and variability of findings.
* Limited representation from policymakers: The target number for interviews with policymakers was at least four, but only one policymaker was consulted in this phase due to lack of responses and unavailability of the stakeholders contacted. This does not allow to aggregate findings from this type of stakeholders as it would compromise anonymity. Stakeholder views on country policy context and relevance of MAGC to country needs were covered by other wider stakeholders (e.g., embassies or green building councils). However, limited representation from policymakers meant that findings related to alignment of MAGC to in-country policy relied mainly on secondary data (political economy analysis).
* Insights into programme design: While some members of the programme team could offer valuable insights on the design of the programme, the majority of the core team at DESNZ joined the programme after its inception. Therefore, the views on programme design processes are based on a small number of interviews and triangulated with available programme documentation.

## 2.4 Strength of evidence

The below strength of evidence framework provides an assessment of the quality and reliability of the evidence used to support findings. Analysis of strength of evidence has been undertaken at the level of the evaluation question for this report.

#### Strength of evidence rating

|  |  |
| --- | --- |
| 1 | Evidence comprises multiple data sources (good triangulation) which are of decent quality. Where fewer sources exist, supporting evidence is more factual (e.g., quantitative data with a big enough sample from secondary sources, or reliable qualitative reporting from desk review of activities undertaken) |
| 2 | Evidence comprises multiple data sources (good triangulation) of lesser quality, or the finding is supported by fewer data sources (limited triangulation) of decent quality but are perception-based (e.g., only qualitative data) |
| 3 | Evidence comprises few data sources (limited triangulation) and is perception-based (e.g., only qualitative) or based on data sources that are viewed as being of lesser quality (e.g., quantitative data that is estimated, or qualitative data where there are concerns regarding informant bias) |
| 4 | Evidence comprises very limited evidence (single source, or a limited number of informants or documents within the sources) or incomplete or unreliable evidence |

# 3. Context and overview of the MAGC programme

## 3.1 Overview of MAGC policy context

The 2015 Paris Agreement[[7]](#footnote-8) is a legally binding international treaty on climate change, which commits signatories to maintain the increase in the global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels. In the same year, all members of the United Nations adopted the 2030 Agenda for Sustainable Development,[[8]](#footnote-9) which includes 17 Sustainable Development goals (SDGs) designed to achieve a better and more sustainable future for all.

As a participant in these global efforts to reduce the impact of climate change, the UK is committed to both the Paris Agreement and the 2030 Agenda. Complementing these, the UK has a number of public finance levers relevant to climate and nature investment, particularly in emerging markets. Some examples of these are the UK International Climate Finance (ICF)[[9]](#footnote-10), the British International Investment (BII)[[10]](#footnote-11), and the UK Export Finance (UKEF)[[11]](#footnote-12). Moreover, the UK has initiated a series of strategic schemes and plans to contribute effectively to combating climate change in line with the global targets, like the UK Green Finance Strategy[[12]](#footnote-13), the Net Zero Growth Plan[[13]](#footnote-14), and the 2030 Strategic Framework for International Climate and Nature Action[[14]](#footnote-15).

The Market Accelerator for Green Construction (MAGC) is part of the ICF Portfolio and is currently the only green building focused programme within DESNZ ICF. MAGC was created in 2018 through a partnership between the International Finance Corporation (IFC), member of the World Bank Group (WBG), and the UK Government’s Department for Energy Security and Net Zero (DESNZ). The programme is planned to run until June 2033, with its investment period running until 2027.[[15]](#footnote-16) MAGC aims to combat climate change in emerging markets by crowding in public and private sector financing for certified green buildings. The goal of MAGC is to boost the uptake of greener practices and technologies in the construction markets of developing countries’. The reason behind MAGC’s focus on emerging markets is twofold:

* The world is becoming increasingly urbanised, with a majority of the global population now living in urban areas. The urban growth is particularly significant in emerging markets like India, China, and Nigeria, which are expected to contribute 37% to the urban population growth by 2050[[16]](#footnote-17). The middle class in these markets is anticipated to increase considerably over the next decade, adding another 2 billion to form a global middle-class population of 5.2 billion.[[17]](#footnote-18)
* As a result of the growing urban population, there is an increasing need for more housing, particularly in emerging markets. Oxford Economics and Global Construction Perspectives forecast an 85% global growth in construction output by 2030, with five of the eight dominating markets being: China, India, Indonesia, Mexico and Nigeria.[[18]](#footnote-19) Furthermore, the International Energy Agency (IEA) estimates that the global building stock will nearly double by 2050 due to increases in urbanisation and middle-class growth. Of this projected increase, 75% will occur in non-OECD countries.[[19]](#footnote-20)

## 3.2 Summary of the MAGC programme to date

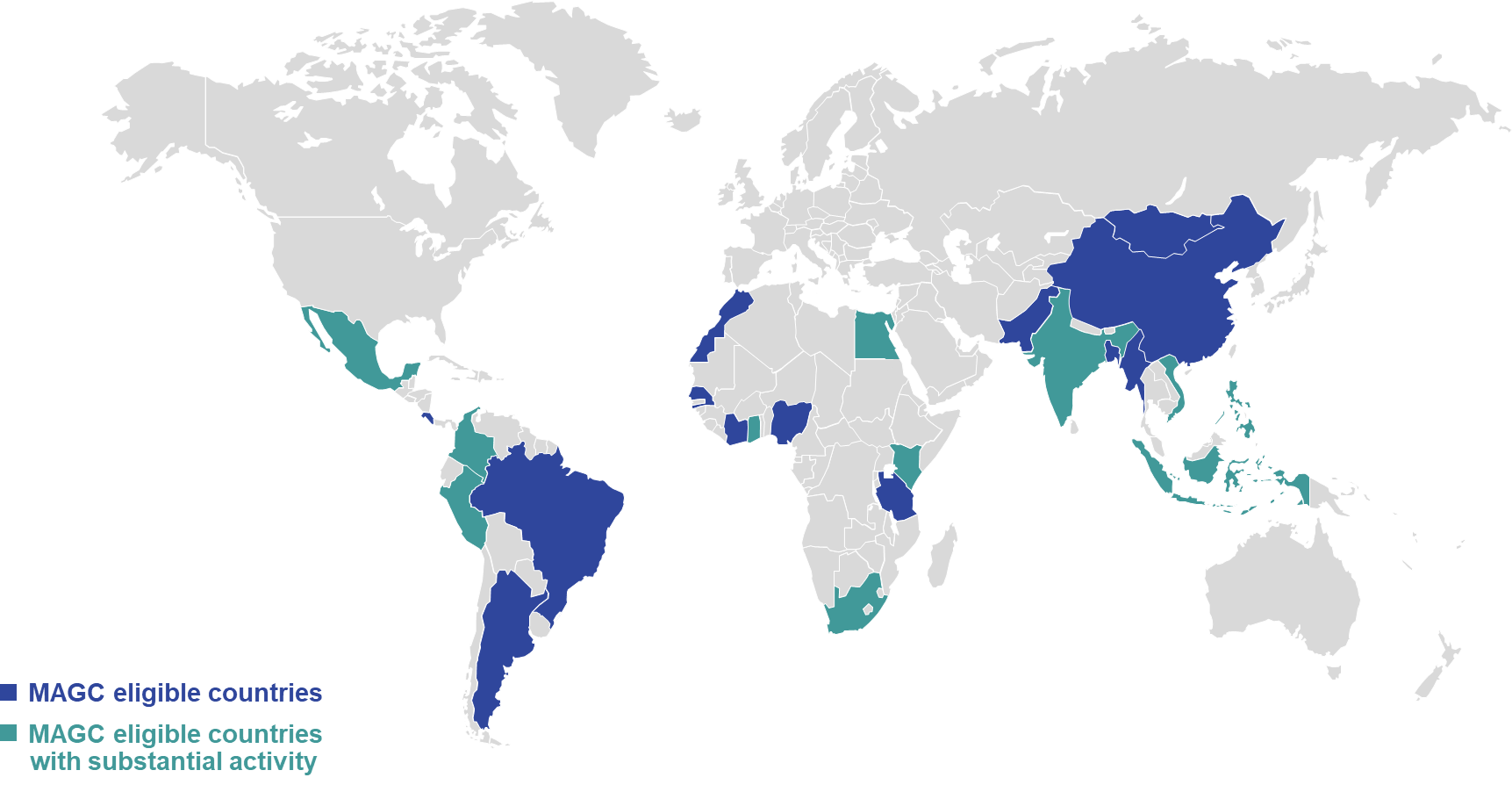
The UK government’s contribution to MAGC is £139.1 million[[20]](#footnote-21). This includes £102 million for dedicated to blended concessional finance co-investments invested alongside IFC into Financial Intermediaries (FIs). UK’s contribution also includes £36.1 million for advisory services to support business strategy, capacity building, market enabling and research to scale green construction finance. IFC supports FIs in creating finance products for green construction through technical assistance for developers, knowledge sharing workshops, and capacity building to evaluate regional green construction opportunities. Finally, UK’s contribution includes £1 million dedicated to an independent evaluation of the programme.

The MAGC programme supports market-level technical efforts to promote the adoption of green construction and certification practices. The funds from the UK Government are used to catalyse construction markets by incentivising the development of green buildings through certification with IFC’s Excellence in Design for Greater Efficiencies (EDGE) and other leading certifications.

MAGC is active in 24 countries[[21]](#footnote-22) (see Figure below). All MAGC countries are eligible for Official Development Assistance (ODA). The list of the countries is being reviewed and updated throughout the programme based on demand, potential impact, and up-to-date market analysis.

The expected impact of MAGC activity in the selected countries is to catalyse US$1.7 - US$2.8 billion in financing dedicated to green construction and certified green buildings, thereby increasing savings in energy, water and to reduce CO2 emissions through the construction of new green buildings (Figure 3.1). By mobilising this financing, the programme expects to achieve emission savings of 0.5m – 0.8m tCO2e, energy savings of 0.8m – 1.3m MWh, and water savings of 6.5m – 11.2m m3. It is important to note that even though considerations regarding GEDSI objectives were not factored into the 2018 design objectives of MAGC, the programme holds potential for generating some co-benefits in this area, as further described in section 5.2. However, GEDSI objectives are not part of MAGC’s Theory of Change and therefore, not incorporated into the programme's Logframe, which tracks the impacts and outcomes of the programme.

Figure 3.1 Map of MAGC eligible countries (as of April 2024)



Source: MAGC business case and annual reports

MAGC is composed of four components that are working towards this impact:

* Component 1 - Advisory services and concessional blended finance investment to financial intermediaries: Incentivising local financial intermediaries (FIs) to create green building portfolios by providing concessional investment finance and technical assistance for certified energy efficient green buildings.
* Component 2 - Country-level capacity building: Strengthening the enabling environment to promote and raise green construction standards at country level through certification by using IFC’s EDGE standard and other leading certification systems.
* Component 3 - Maintenance and improvement of the EDGE certification system: Improving construction standards by maintaining and improving IFC’s EDGE certification and design tool.
* Component 4 - The MAGC Research programme: Generating market intelligence through research in selected MAGC countries, to create high-quality empirical evidence that can be used to further motivate the uptake of green construction.

At the time of reporting, MAGC has allocated funds to 13 blended finance projects (or investments) in six countries: Indonesia, Egypt, Colombia, South Africa, India and Peru totalling US$34.45 million in UK public sector financing.[[22]](#footnote-23) Alongside each investment, the MAGC programme has aimed to offer advisory services to the participating financial institutions in an effort to enhance project execution. This goal has been accomplished for eight out of the 13 funded projects. The rest of the projects are pending to start, and all include advisory services along with the investments. As of 2023, the programme has also executed three stand-alone advisory services in India, Brazil, and Mexico, and 13 market-level engagement plans with a range of different stakeholders. As per the latest annual review of the programme (Year 4), the pace of investments has exceeded expectations, but results for Output and Outcome indicators which depend on the disbursement of loans by financial institutions and additional private sector financing have been missed, likely due to COVID-19 delays, inherent reporting lags, and the slower pace of certain investments.[[23]](#footnote-24) MAGC has also made timely progress on market-level technical assistance, through its activities engaging financial institutions, banks, stakeholders involved in the construction sector (developers, property managers, architects, engineers), stakeholders affiliated to EDGE (certification providers, auditors, experts, consultants), as well as policy-makers, NGOs, and researchers and research organisations in the green construction space.

# 4. Programme delivery

This section provides an overview of programme delivery processes, the teams involved and the processes for selecting countries eligible for the MAGC programme.

Programme delivery is illustrated in visual form through a process map in Section 4.2. A preliminary process map was created at the scoping phase of the project, but further research with IFC stakeholders responsible for programme delivery, and DESNZ stakeholders involved with programme design and performance monitoring, has enabled a more detailed process map to be developed that explores the relationships between programme components and enhances understanding of current programme delivery.

## 4.1 Overview of MAGC programme delivery

Four departments in IFC are responsible for delivery of individual components of MAGC.

* The Blended Finance Department (BFD) leads the day-to-day delivery of the programme for Component 1 (the investment and advisory activities), in collaboration with the Blended Finance Committee (BFC) who review and approve investments, and the operational management is carried out by the Financial Institutions Group (FIG), who also leads on the advisory aspect of Component 1.
* The Climate Business Department (CBD) leads the advisory elements for Component 2 (country level capacity building) and 3 (EDGE maintenance and improvement) and is responsible for the market level work and the launch, maintenance and development of the EDGE tool.
* The Development and Impact Measurement Team (CDI) leads the MAGC research component (Component 4). CDI sits within a different department to the other units, which is implemented to establish independence of the research strand. As such, the research strand works in close collaboration but independently from the operational aspects of the programme.

#### Country Selection

Understanding the country selection process is important for contextualising the programme’s performance. As the programme aims to catalyse the development of the green construction market, country selection plays a central role in achieving the aims of the programme.

Country selection was agreed between IFC and DESNZ during the project setup stage, although some changes to the countries included in the programme have been made during the project. While IFC initially envisaged the programme as a global development programme, DESNZ preferred to target a smaller number of countries with the biggest potential for developing the green construction sector. Before making the final country selection, IFC conducted an initial market analysis in emerging countries that were being considered for involvement to determine their suitability for involvement in the programme. The EDGE team provided information on in-country use of EDGE to help identify where there was on-the-ground demand for EDGE. IFC country offices conducted research, including potential client engagement, which helped to identify market failures or barriers and assess what impact investment would have addressing these market failures. This research also helped to identify where potential investment pipeline opportunities existed. Conducting initial market analysis supported country selection by ensuring countries involved in the programme would benefit from the intervention and investment.

Countries were also selected based on whether the country was a priority country for IFC and DESNZ. For IFC, this assessment was based on factors such as urban growth, energy costs, the climate investment potential, alignment with country government priorities and their exposure to climate risks. In addition, middle-income countries were preferred to low-income countries in part due to the relatively higher climate investment potentials, which was cited in interviews as being due to the relatively limited blended/concessional for green buildings capital available for middle-income countries within IFC. IFC felt MAGC funding and support would have a greater impact catalysing the expansion of the green construction sector in middle income countries with more developed and established constructions industries. Priority countries for DESNZ were (in line with wider ICF objectives) those identified as having the highest potential for supporting climate change mitigation whilst also stimulating economic growth through market transformation[[24]](#footnote-25).

Country selection was also based on additional factors including the green building market potential in the country in terms of the EDGE ‘baseline’ – i.e., the number of EDGE experts and the amount of EDGE certified floor space, and whether a green building code was under development or not. Another factor considered was whether there were any in-country FIs that could provide concessional finance, and the country’s need for technical assistance.

An initial list of 23 countries was then agreed between IFC and DESNZ on a mutual basis. During programme delivery, IFC and DESNZ agreed to add a further two countries to the programme (Tanzania and Senegal) where IFC demonstrated to the UK team that investment was justified, while Panama graduated from ODA eligibility and was eventually dropped as target of all MAGC activities.

#### Programme Delivery

The design of the programme and delivery processes are fundamental for the programme to achieve its objectives, so it is important to know how these work in practice.

Market assessment and engagement plans: To effectively target its interventions, the programme conducts thorough market assessments in eligible countries. One type of market assessment is conducted by the IFC CBD as part of capacity building activity, to inform bespoke country engagement plans, which aim to tailor the delivery of events and activities to the needs of the country. Another type of market assessment is done through the research component. This forms two different assessments – a green building market stakeholder assessment and green building market maturity assessment – which provide information on the status of the green building market in countries targeted by the programme.

Pipeline development: The development of an investment pipeline primarily takes place through the investment component, led by the Financial Investments Group (FIG) and IFC country teams, although some business development activity occurs through capacity building activities initiated through Component 2 (led by the CBD). The FIG country teams build relationships with FIs to understand their interest in green construction and identify and develop pipeline opportunities for green construction financing lending. FIG, through IFC country teams, work with FIs to structure deals and transactions around the needs of the FI and support them through the IFC investment cycle.

The investment decision: The FIG team initiates the investment cycle by developing a concept note outlining the potential investment in a financial intermediary, which is then scrutinised by the FIG board. In parallel, the BFD begins its approval process for using concessional financing. If the BFD committee feels that the rationale for concessional financing is justified, the BFD will support the concept through a separate but parallel approval process to the Blended Finance Committee (BFC), a senior management committee that approves the use of concessional funds alongside IFC’s investments. Alternatively, if the BFD assesses that the deal makes sense commercially and can happen in the absence of concessional support, the project will be rejected, and concessional funds will not be deployed.

During the investment cycle, FIG and the BFD conduct parallel but separate scrutiny on their respective elements of the proposed FI investment package, ensuring evaluation based on commercial merit and impartial decisions on concessional financing. However, a degree of collaboration between the teams is necessary to support the proposed investment through the approval process. After consulting with the FI, FIG determines which financial instrument will be used, the size of the investment, and any additional technical assistance they plan to provide to the FI. The BFD decides on the use, amount, and instrument of concessional finance. The FIG can decide to make an investment without the BFD approving the use of MAGC funded concessional finance from the BFD (e.g., if the BFD rejects the use of concessional finance). Each transaction is also assessed by IFC’s independent green building experts, in IFC’s CBD. Once these parallel processes are complete, the own-account and BFD transactions together go to the WBG Board for final approval.

Investment and advisory: Once a deal is approved by the IFC WBG board and an agreement to invest is signed with an FI, the FIG disburse the loan to the FI and the BFD disburse the concessional finance package. FIG provides technical assistance to the FI.

FIs log the performance of their investments made through the FIG loan and BFD concessional finance in the Climate Assessment for Financial Institutions (CAFI) tool[[25]](#footnote-26), which is owned by the FIG but jointly monitored by FIG and the BFD. The BFD review requests from the FI to receive performance-based incentives (PBIs) and use information collected through CAFI to ensure the client has delivered on the needed criteria to receive the concessional finance component. The CAFI tool interfaces with the EDGE team, enabling FIG and the BFD to check if buildings constructed using blended finance are EDGE certified and meet any other performance criteria for concessional finance. However, there is a reporting lag of at least 12 months for IFC FIs to report results in the CAFI tool.[[26]](#footnote-27) Agreed reporting metrics are required of each transaction, regardless of the structure, which are built into investments structured as PBIs.

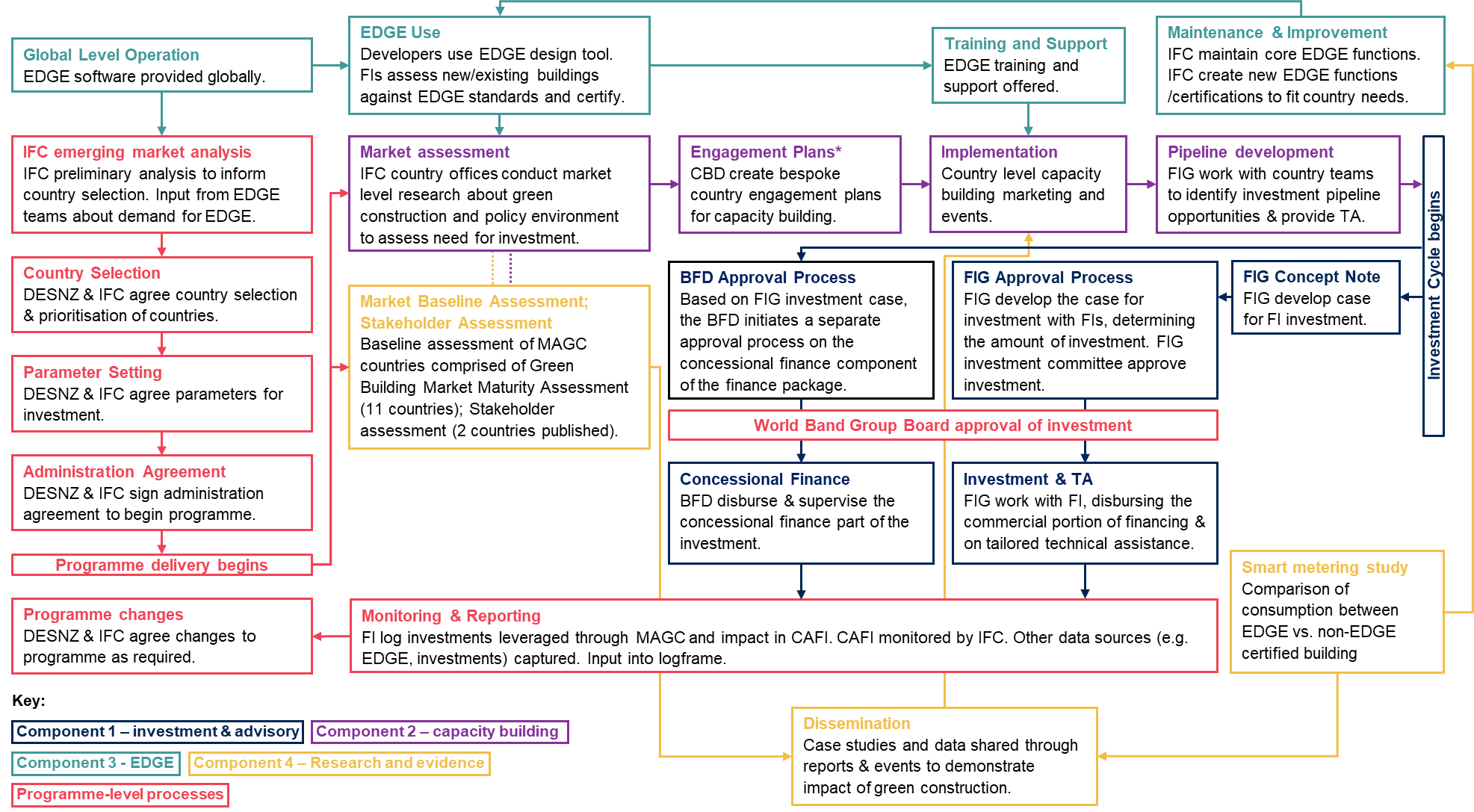
Evidence gathering and Research: The Research and Evidence component[[27]](#footnote-28) focuses on generating empirical evidence on green buildings in selected MAGC countries. It includes four workstreams[[28]](#footnote-29):   
a) a key workstream is the EDGE impact evaluations, to assess the real-world performance of EDGE-certified buildings in three different countries(South Africa, Colombia, Indonesia), comparing actual energy and water consumption in EDGE buildings to the consumption predicted by the EDGE app, and to non-EDGE buildings;   
b) surveys in selected countries (two pilot countries, and eight additional countries) with a number of relevant stakeholders, to assess perceived motivations and obstacles in green building markets;   
c) baseline and mature markets assessment (4 years after baseline) in 13 countries (up from the original eight), to also assess how the EDGE tool is working in practice to be able to adapt it;   
d) embodied carbon study, a study on new materials such as wood and bamboo (this workstream is not part of this report, as it will only start in 2024).   
These workstreams generate green building market intelligence on green buildings in selected countries and try and fill a research gap on the impact of green construction. Data and lessons learned are also collected through the EDGE team and through FIG investments are also captured to inform the creation of reports, including examples about successful green buildings projects. Reports and other MAGC research products are disseminated by IFC through the capacity building component.

EDGE global level operation: EDGE (Component 3) is IFC’s green building design and certification tool and is central to the MAGC programme. While EDGE was operational before MAGC and funded by other sources, MAGC provides funding for EDGE's operation, development of new features, and expansion of its use. EDGE supports the programme across all the three other MAGC components. In Component 1, EDGE partially supports pipeline development and investment decisions and provides data for disbursing performance-based incentives. As part of Component 2, the EDGE team provides training and support on green building certification in MAGC countries in conjunction with other capacity building activities. Data to further assess the validity of the model and adapt the tool is also captured from the research and evidence programme (Component 4). The EDGE team consistently upgrade and maintain the software while also developing new certifications and features that meet the requirements of users of the software in different countries.

Monitoring and reporting: During the programme setup phase, the IFC advisory committee (part of the IFC programme board) established the scope and frequency of overall programme monitoring and reporting and, together with DESNZ, developed the programme Logframe[[29]](#footnote-30) which tracks the overall performance of the programme investment.

Data is collected from various sources. The EDGE team and the BFD/FIG team collect data through the EDGE tool, from CAFI, and from other sources (e.g., surveys after events), and add this to the Logframe to report progress against programme indicators. Due to confidentiality agreements with clients, IFC are unable to share specific information about investments. The annual reports, the Logframe and quarterly (now biannual) governance reporting are the main ways that IFC communicate programme progress with DESNZ. During quarterly (now biannual) review meetings, IFC and DESNZ review programme progress and the impact of investment against the Logframe and discuss any necessary adjustments to programme delivery (without necessitating a new programme agreement). This may involve modifying investment criteria for MAGC countries (e.g., increasing caps on funding per deal), adjusting reporting frequency, or decisions to include new countries in the programme.

## 4.2 Process map



\* Not for all MAGC eligible countries (currently in 13 countries)

# 5. Process evaluation findings

## 5.1 MAGC Theory of Change

### Key findings

The Theory of Change clearly states MAGC’s long-term objectives, which match those described in other documentation and by MAGC design and delivery teams. It is clearly relevant to its overall policy context and the causal pathways described in the Theory of Change appear valid.

The Theory of Change could be adapted to better reflect the connections between components of MAGC, the role of market creation within countries, and the timing of outcomes. The Theory of Change could also benefit from having clearer distinction between outputs, outcomes, and impacts to better link the Theory of Change elements with Logframe indicators.

It would be valuable to introduce some indicators to the Logframe to examine how the expected energy and carbon savings identified in pre-construction certification translate to actual energy and carbon savings.

The programme components are highly complementary and connected, and this interconnectedness is seen by stakeholders as key to achieving MAGC’s objectives.

This section presents the evaluation team’s review of MAGC’s Theory of Change, answering EQ2: To what extent are the results mechanisms illustrated in the Theory of Change of MAGC accurate? Analysis draws from the review of programme documentation (business case and annual programme reports[[30]](#footnote-31)), the Theory of Change workshop and the evaluation interviews. The judgement criteria used to answer the evaluation question are shown in the table below.

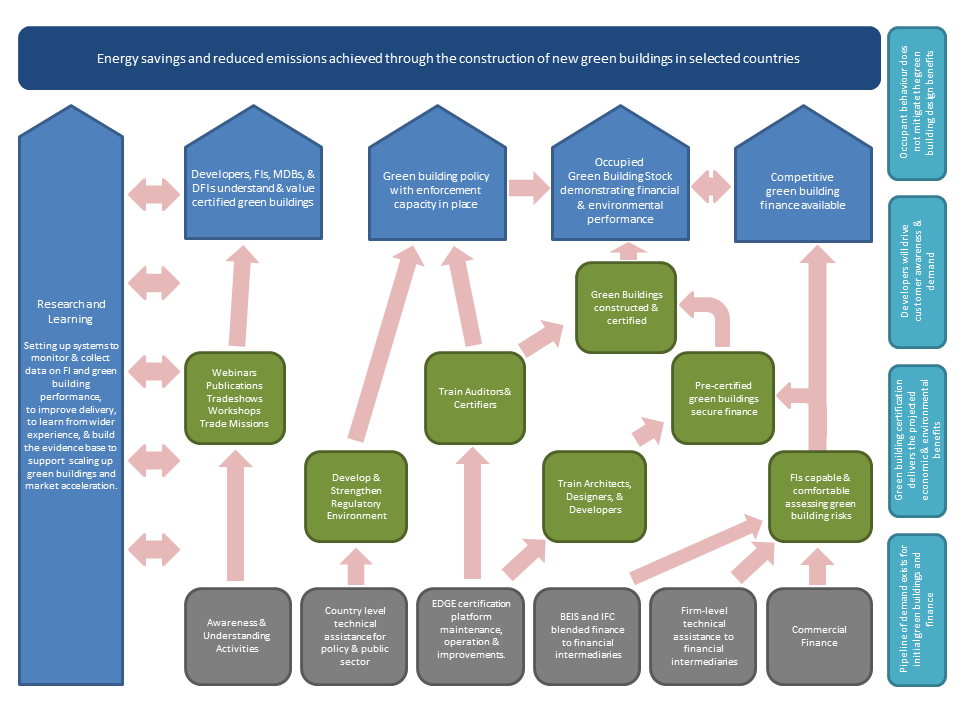
Table 5.1 Judgement criteria for answering EQ2: To what extent are the results mechanisms illustrated in the Theory of Change of MAGC accurate?

|  |  |
| --- | --- |
| Design process**[[31]](#footnote-32)** | * Underpinning interdependencies and assumptions of MAGC approach – whether design assumptions remained true during delivery. * Adaptability of the Theory of Change – i.e., whether it was reviewed and/or updated in response to changes in context. * Robustness and transparency of the design process – whether the design process has been comprehensive in its involvement of key stakeholders |
| Perspectives of key stakeholders | * Stakeholders consider the results mechanisms to be comprehensive. * Stakeholders consider the results mechanisms to be valid/accurate |
| Theory of Change review | * Independent evaluation team view on the logic, transparency, and comprehensiveness of the Theory of Change and its alignment with other representations of the MAGC’s strategy * Extent to which the evidence base supports the validity of the assumptions. * Accuracy of the Theory of Change in reflecting the objectives and ambitions of all stakeholders implementing and governing MAGC * Interaction of the four programme components in practice and whether they mutually reinforce each other |

### Overview of MAGC Theory of Change

A Theory of Change explains how activities within an intervention are understood to produce a series of results that contribute to achieving the final intended impacts. The diagram shown in Figure 5.1 presents the Theory of Change of MAGC, as included in the programme business case. A first review of the programme Theory of Change was carried out by the evaluation team during the scoping phase of this evaluation assignment (presented in Annex 7 which describes the programme Theory of Change in detail). A collaborative review of the MAGC Theory of Change with the core programme team was then undertaken as the first task of the process evaluation.

Figure 5.1 MAGC Theory of Change



MDBs – Multilateral Development Banks; DFIs – Development Finance Institutions

#### Design process

The MAGC Theory of Change was developed by the IFC and DESNZ teams at business case stage[[32]](#footnote-33) and builds on the Theory of Change of the Green Building Market Transformation Programme.[[33]](#footnote-34) The business case includes a narrative accompanying the Theory of Change, setting out the major barriers to change, the evidence underpinning the Theory of Change, and the anticipated mechanisms for achieving the intended impact of the programme.

While DESNZ and IFC were both involved in designing delivery aspects of the programme, the concept design that underpins the programme Theory of Change was led by IFC and presented as a proposal to DESNZ. According to IFC programme stakeholders, the programme's design was an iterative process that began with the advisory team at IFC. To reflect the need for a multi-component intervention and holistic approach to market transformation, a cross-department collaboration approach was taken, reflected in the multi-component approach illustrated in the programme Theory of Change.

The programme business case provides a clear rationale and evidence base for the design of programme mechanisms, listing 1) the problem the programme is trying to address (a “cycle of blame”) with key barriers for each key actor in the sector, and 2) the mechanisms by which the programme would respond to each of these challenges. The evidence underpinning the MAGC Theory of Change design is based on challenges and opportunities that have informed the approach of the IFC on green buildings market transformation since 2013.[[34]](#footnote-35)

The Theory of Change diagram that followed from these considerations and has been included in the programme business case has not been changed since then.

#### Changes to programme design since the original Theory of Change

While adaptations to the Theory of Change are not foreseen by programme design, there have been some changes in MAGC design and scope, particularly in relation to Component 4. The first change is the removal of the two workstreams that were included in the original proposal for the programme (longitudinal case studies of three building projects to be examined over time, and financial market research). The second change is in the number of countries involved in the market assessments and stakeholder surveys, which was reduced mainly due to IFC’s underestimation of costs and time and resources involved. The number of countries covered in the market maturity assessment studies was increased to 13 from the original eight, to counterbalance the number of stakeholder surveys which was reduced to seven from the original 10. The third change is the addition of an embodied carbon study new materials with a lower environmental footprint, which was recently confirmed to take place and added to Component 4.[[35]](#footnote-36) Finally, the fourth change provided funding (as part of the change request described below) to boost the number of participants involved within the Impact Evaluation study.

Stakeholders generally welcomed these changes to the scope and composition of activities in Component 4. The removal of the two workstreams was introduced by DESNZ. However, IFC stakeholders expressed their understanding of the rationale behind it, noting that MAGC’s focus on emerging markets would mean that these workstreams would be more difficult to materialise at the beginning of the programme. The changes in market and stakeholder assessment numbers were seen as a strategic reallocation of resources to ensure that the budget is used most efficiently. Finally, the addition of the embodied carbon study was also seen as positive and very useful addition to generating knowledge in the green building sector.

The MAGC programme leads within DESNZ also requested and obtained some changes in Components 2 and 3. In Component 2, a change request in March 2023 added a technical assistance project in Brazil, expanded MAGC public sector engagement using the Advance Practices for Environmental Excellence in Cities programme, and extended and strengthened the programmes in the existing MAGC portfolio. In component 3, the change request sought to expand the methodology of EDGE and strengthen the technical assistance package to banks. These changes would enable DESNZ to increase the expected outcomes in the green building sector by overcoming market barriers and supporting the uptake of green construction over conventional inefficient approaches.[[36]](#footnote-37)

All the aforementioned changes were accompanied by committing an additional £12.2 million (in March 2023), and another £2 million for advisory and £22 million for the investment component (in December 2023, when the timelines of the programme were extended from 2025 to 2033 – 2027 for the investment period).

### Findings from the Theory of Change review

The evaluation team carried out a review based on an evaluability assessment checklist,[[37]](#footnote-38) a desk-based review of programme documentation, the Theory of Change workshop with IFC and DESNZ programme stakeholders, as well as interviews at programme and country level. The review identified the strengths of the Theory of Change, as well as elements of the Theory of Change that could improve to increase accuracy and comprehensiveness.

Overall assessment

The Theory of Change states clear, long-term objectives, which match those described in other documentation and by MAGC design and delivery teams. The Theory of Change is clearly relevant to its overall policy context and the causal pathways described in the Theory of Change appear valid, however, improvements can be made to increase the accuracy and completeness of the programme Theory of Change.

There is some external validation of MAGC's Theory of Change. Evidence gathered through internal and external stakeholder consultations, reports, and comparisons with other programmes suggests that the mechanisms by which MAGC aims to accelerate the sector are relevant to address barriers in the green building sector. However, there are differences in views from stakeholders both internal and external to the programme on the role of policy in driving transformation, with some considering instead the private sector as the key driver of transformation. While the role of policies seems highly driven by the country context, the importance of focusing on the whole system, targeting the building sector through financial, technical assistance, and regulatory/policy mechanisms, clearly emerged from this phase of the evaluation.

In terms of the accuracy of the current Theory of Change in reflecting these mechanisms and programme delivery, the Theory of Change could be adapted to better reflect the connections between components of MAGC, the role of market creation within countries and the timing of outcomes. The Theory of Change could also benefit from having clearer distinction between outputs, outcomes, and impacts to better link the Theory of Change elements with Logframe indicators.

Perspectives of internal stakeholders

DESNZ and IFC programme stakeholders interviewed and participating in the Theory of Change workshop agreed that the Theory of Change accurately represents the main pathways to change that the programme aims to achieve, and that the main mechanisms leading to impacts are still deemed valid through delivery. In particular, programme stakeholders value how the Theory of Change represents the focus of the programme on tackling perceptions on green buildings’ costs, feasibility, and value. The Theory of Change is presented in a consistent way across different programme documentation (the business case and the programme annual reports[[38]](#footnote-39)), with a comprehensive narrative and barriers and enablers to change. DESNZ and IFC agree in their interpretation of what the programme aims to achieve, and how this will be achieved. However, IFC and DESNZ diverge slightly in their view on how the programme should influence building policies and regulation, with DESNZ placing greater importance than IFC on the policy influencing mechanisms of the Theory of Change.

The Theory of Change was designed according to some core assumptions that are expected to stay true throughout the life of the programme. However, some of these assumptions were thought to be overestimated at the design stage. This includes the length of time between providing investments to financial institutions and the disbursement of funds, which affects the length of time required for outcomes to materialise. For instance, the assumption of disbursement of 33% of the IFC loan in the first year was not met; it was instead between 8% and 10%.

Perspectives of external stakeholders and comparison with other programmes

Outside of the programme, interviews with external stakeholders in the green building sector largely confirmed the mechanisms outlined in MAGC Theory of Change to accelerate green construction. The main barriers mentioned by stakeholders concerned the lack of awareness and knowledge of green building benefits, high risks for developers, and a lack of current incentives for implementation. When asked about how these barriers could be addressed, and the need for a programme to accelerate green construction, the main mechanisms that emerged concerned:

* The importance of a full ecosystem approach, accelerating the sector through technical assistance, financial, and regulatory/policy mechanisms.
* Increasing awareness and improving understanding within the sector, so that green construction is seen as an opportunity.
* Building capacity and providing technical support so that a supply chain is created, and that green construction is more accessible to a variety of stakeholders (technical, financial, policy).
* Providing blended and concessional finance to incentivise green construction.
* Tracking progress and disseminating knowledge to create demand and data-led awareness.

Views were more mixed on the role of the private and public sector. Stakeholders in countries such as India, Kenya, and Colombia stressed the role of government in driving progress in the green building sector. In other countries such as Peru and Indonesia, stakeholders considered the private sector as the most significant driver of change.

Based on the evidence gathered from reports, policy papers, and comparisons with similar programmes, there is some external validation of MAGC's Theory of Change and the mechanisms through which it aims to achieve its intended outcomes and impacts. Blended finance to derisk and stimulate private investments in green construction is a recognised tool for mobilising private investment in green infrastructure. By absorbing initial investment risks, MAGC addresses some of the key barriers to financing green buildings, such as developers' reluctance to bear the additional upfront costs.[[39]](#footnote-40) Hoch et al. (2018) specifically highlight the complementary strengths of market mechanisms and public climate finance in expanding private-sector contributions towards achieving climate goals. The literature highlights the importance of policy mechanisms in promoting green construction and overcoming barriers to financing green buildings.[[40]](#footnote-41) This suggests that a mix of policy instruments, such as codes and standards, financial incentives, public investment, is necessary to accelerate the adoption of green construction practices. In a synthesis of learning across the ICF portfolio,[[41]](#footnote-42) the provision of concessional funding to improve readiness was found to be a key strength across programmes: policy-based and programmatic interventions, and in particular the NAMA Facility and the CIFs, offer a combination of financial support and concessional funding to improve readiness, that improve the enabling environment to achieve Transformational Change.

Perspectives of the evaluation team

The Theory of Change workshop and the review conducted by the evaluation team showed that accuracy of the Theory of Change could be improved, particularly in relation to establishing links and connections between the four components. Overall, the following areas for improvement were identified:

* Firstly, there is a need to make the connections between components more explicit and to emphasise the positive reinforcements among components.
* Secondly, a noticeable channel that is currently missed in the Theory of Change, but that seems evident from the programme aims and delivery, is related to its market creation mechanism (e.g., accelerating the green building market through financial support and capacity building). This aspect could also be reflected in the impact statement, which currently solely addresses greenhouse gas (GHG) emissions and constructed buildings.
* Third, the Theory of Change could benefit from clarifying the timings of the outcomes (green boxes). In some cases, the outcomes are happening over time, and there is not a precise expected timing (e.g., “FIs capable and comfortable assessing green building risks”). In other cases, outcomes are more quantitative and can be measured at a specific point in time (e.g., “pre-certified green buildings secure finance”). The distinction between these two types of outcomes (one more related to longer-term transformation, the other related to tangible outcomes of the programme) could be made clearer.
* Finally, a concern that emerged during the review is the lack of clarity around the outputs, outcomes, and impacts in the Theory of Change diagram, which can create difficulties in linking these elements to Logframe indicators. For instance, Outcome 5 (O5: Cumulative energy use expected to be avoided from post design certified buildings) and Outcome 6 (O6: Cumulative GHG emissions expected to be avoided from post-design certified buildings) from the Logframe should ideally be the impacts, as they relate to energy and GHG emissions savings which are included in the Theory of Change impact statement. Outcome 7 (O7: Cumulative green building floor space with EDGE post construction certification), on the other hand, is rightly classified as the outcome, as green building certification is the expected result from MAGC’s activities that is expected to lead to the ultimate impacts. These distinctions are currently not precisely reflected in the Theory of Change.

In order to represent impact more accurately, a recommendation arising from the Theory of Change review is to introduce additional indicators to examine how the expected energy and carbon savings identified in pre-construction certification translate to actual energy and carbon savings. Moreover, the benefit end users derive from a green building home is a longer-term outcome and should be incorporated as an additional blue box in the Theory of Change.

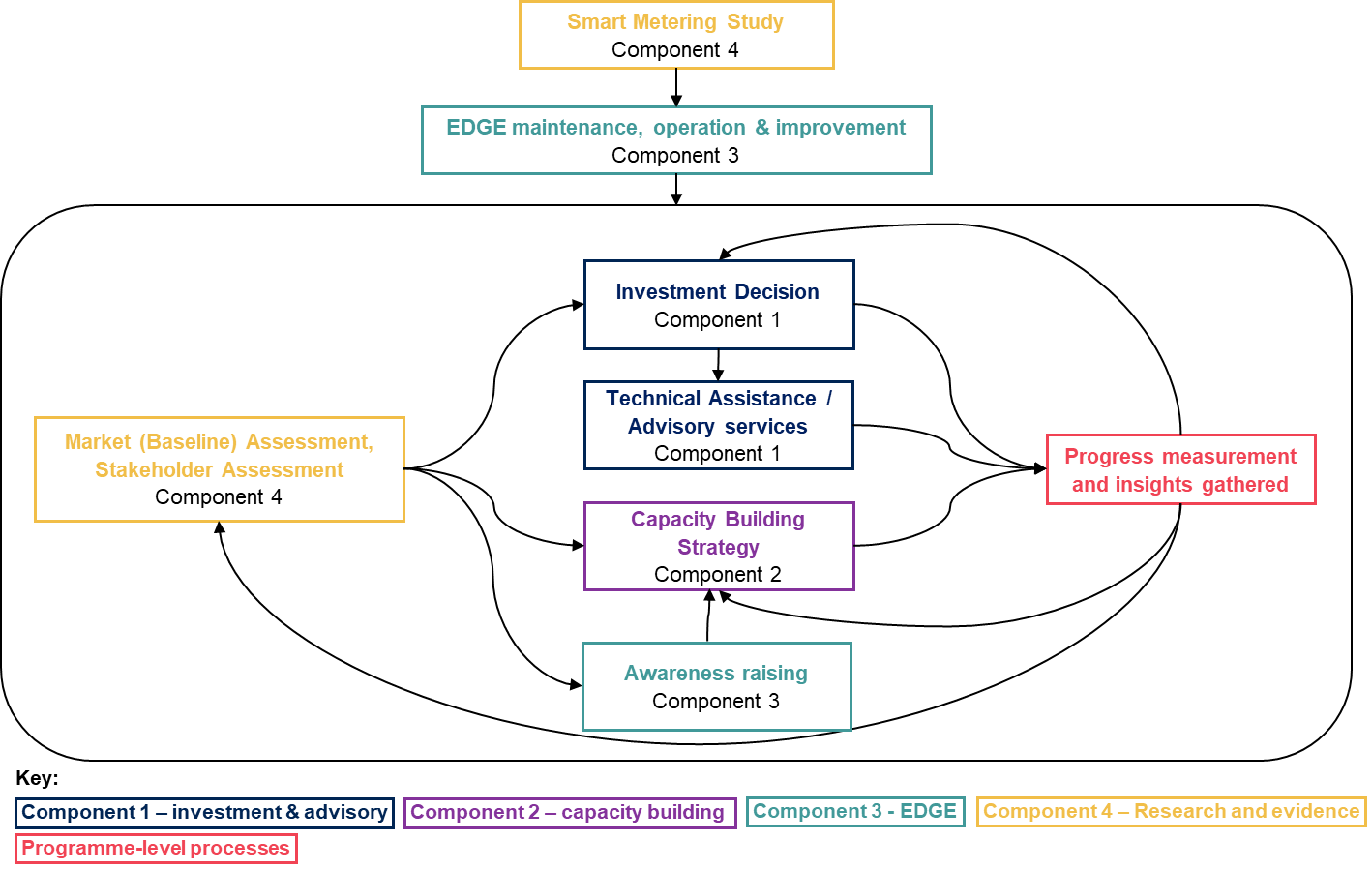
Further improvements to the Theory of Change could be made by following the recommendations for optimising Theories of Change within climate finance funds:[[42]](#footnote-43)

* Ensure the Theory of Change highlights the strengths of the programme: describing mechanisms clearly, to better communicate the practical steps and actions through which they expect to catalyse and support change. For example, going beyond high-level theories about how transformational change occurs (e.g., “through innovation”, “by leveraging private sector finance”) to reflect the unique value and strengths of the programme and how these specifically support transformational change).
* Ensure that the Theory of Change is a living document / tool, to be updated as frequently as the ambitions, scope, activities and capabilities of the programme evolve.
* Ensure that change mechanisms are sufficiently reflected and regularly monitored. These are clearly set out in the MAGC Theory of Change but could be made clearer as per the suggestions above.

### Interaction between programme components

The interaction of programme components in the Theory of Change is characterised by a high level of complementarity and overlap. Figure 5.2 below shows the links between the four components, as they were described in stakeholder interviews and the Theory of Change review. The diagram in the figure should be viewed as a matrix, rather than a linear process, as MAGC remains flexible and adaptable to in-country needs, as discussed earlier in this chapter.

Figure 5.2 Interaction of programme components



Even though Component 4 operates independently of the other components in its day-to-day operations, it does have an influence on and informs other components. In most countries where the programme has been implemented, this started with a market assessment (and baseline assessment) and/or a stakeholder assessment (Components 2 and 4), which generate important knowledge on markets and stakeholders. These assessments feed into later activities: they are crucial in informing Component 1 activities (investment decision and delivery of technical assistance), the strategy for capacity building (Component 2), as well as other awareness raising activities (Component 3).

An example of this sequence is found in Colombia, where a stakeholder and market baseline assessment was first carried out, followed by a capacity building activity which introduced the option of blended finance for green construction to FIs. However, IFC work in Colombia started before the MAGC programme[[43]](#footnote-44), which might have influenced the sequence of these activities. The sequence of activities is not the same in all countries, and MAGC remains adaptable to each country’s particular needs and context.

The MAGC programme team measures progress in all components and reports on programme progress. When the results are available, the insights gained inform activities across all components of the programme. These may also be beneficial in building relationships with FIs by evidencing the impact of EDGE certification and promoting EDGE uptake.

Finally, the Smart Metering Study (Component 4) feeds into the maintenance and improvement of the EDGE system (Component 3), which has an overarching effect on all components. The EDGE tool is viewed by the IFC and DESNZ programme teams as the overall enabler of MAGC. Without EDGE being up to date and useful in green building construction, none of the other components would be able to operate and achieve their aims. The demonstration of the impacts of EDGE certification is also considered by the programme team as a valuable tool in fostering relationships with FIs.

Overall, stakeholder interviews and the evaluation team’s review of the Theory of Change suggests that there are several links between components during programme delivery. According to stakeholders interviewed, these links allow the programme to operate smoothly and efficiently and therefore work towards MAGC objectives of achieving broader, market level transformation. However, the feedback loops between Component 4 and Components 1 and 2 are currently not very evident in the Theory of Change diagram and could benefit from further specification. At the moment, the only link between Component 4 and Component 1 is represented in the Theory of Change via the outcome "Occupied green building stock demonstrating financial & environmental performance"[[44]](#footnote-45) (blue box).

### Strength of evidence assessment

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Evaluation question | Answer | Sources of evidence | Strength of evidence rating | Rationale |
| EQ2: To what extent are the results mechanisms illustrated in the Theory of Change of MAGC accurate? | The Theory of Change has been found to accurately represent the core mechanisms and pathways of the programme. However, improvements can be made to increase the accuracy and completeness of the Theory of Change. Specifically, clearer connections between the four components of the Theory of Change, better representation of timings of outcomes, and improved linkage of Theory of Change elements to the Logframe indicators will likely enhance the accuracy of the programme Theory of Change.  The MAGC programme design demonstrates strong complementarity and interconnectedness amongst its four components. This process evaluation suggests that these links could be further specified to enhance programme efficiency. | IFC and DESNZ interviews  External stakeholder interviews  Theory of Change workshop  Assessment of Theory of Change against evaluability checklist  Review of external literature | 2 out of 1-4 | Evidence comprises multiple data sources (good triangulation), but primary data is observational and qualitative, limiting possibilities for causal inference. |

## 5.2 MAGC Management approach

### Key findings

MAGC operates under a collaborative governance and management structure involving both DESNZ and IFC. While IFC independently manage day-to-day programme delivery through their various departments, DESNZ maintain oversight through reporting requirements, regular reviews, and informal communication channels.

The management approach and monitoring and governance processes in place are generally suitable, appropriate, and effectively supporting programme delivery. IFC’s delegated authority to deliver the programme (and specifically, to decide on investments) is seen as particularly important for effective programme delivery.

There were some tensions relating to programme management between IFC and DESNZ stakeholders around the level of involvement of DESNZ and the reporting requirements. Whilst the reporting requirements are in line with the requirements across the ICF portfolio, IFC perceive it to be greater than other programmes.

There were communication challenges stemming from differing expectations between IFC and DESNZ regarding information sharing. Despite these challenges, both parties have demonstrated adaptability and a willingness to find workable solutions to ensure effective monitoring and accountability.

MAGC’s management approach demonstrates flexibility and adaptability, allowing for adjustments to programme elements and effective responses to changing circumstances. This adaptability is facilitated by the programme’s governance processes in addition to IFC’s internal management at the regional and national level.

Compared to other programmes in the ICF portfolio, MAGC sets itself apart through its focused approach on green buildings and its unique concessional finance model, contrasting with the broader scope and grant funding model seen in other programmes.

GEDSI considerations were not a component in MAGC’s design phase, but programme stakeholders highlighted the importance of GEDSI to DESNZ and the need to pay more attention to GEDSI considerations in the future programmes.

This section analyses MAGC’s management approach, answering EQ1: To what extent, and in what ways, has the management approach agreed with the Delivery Partner been appropriate and effective for MAGC? This includes a description of the management approach and the way in which it was agreed, an analysis of key stakeholders’ views on how the processes are working and where potential improvements could be made, and a discussion of alternative approaches, which offer a comparison to MAGC.

This analysis draws on a review of relevant programme documentation and evidence from stakeholder consultations, including with stakeholders involved in other programmes similar to MAGC. The analysis is underpinned by a process map of the management approach developed during the inception report (and updated in Section 4 above).

### Overview of the MAGC management approach

The administrative arrangements of the MAGC programme are the basis of the legal governance structure decided during the programme’s inception in collaboration between DESNZ and IFC. The arrangements comprise: the reporting arrangements and meeting schedule between DESNZ and IFC, as well as the Logframe, which sets out MAGC delivery targets and milestones.

#### Programme implementation and management processes

IFC independently manages delivery of the MAGC programme on the ground. For management and delivery processes, IFC utilise their own systems, which align with IFC governance structures and objectives.

The four departments who sit within IFC’s headquarters (FIG, BFD, CBD, CDI) define and design the overall rules for certification (EDGE certifications and guidelines are provided by the CBD) and global guidelines for investments (Investment guidelines are provided by the Risk and Finance Vice Presidency Unit (VPU)). IFC regional and country teams are responsible for the implementation of the advisory and investment activities on the ground. Regions have their own internal programmes (aligned to IFC’s global strategy) and budgets, which are - in turn - split into programmes and budgets for each country, bespoke to local contexts and the scale of programme. The regional teams and global team meet on a weekly basis, to discuss progress and to share lessons learned between regions and countries.

The programme was designed to be a unified programme, bringing together work streams across several departments. The implementing departments meet monthly to update each other on progress and coordinate reporting to DESNZ. A dedicated person within IFC is responsible for the coordination of the implementing departments within IFC and acting as a point of contact to DESNZ.

#### **Programme governance mechanisms**

The legal administration agreement establishes DESNZ’s formal reporting requirements for IFC, comprising an annual written progress report, including tracking of a list of indicators as specified in the results framework[[45]](#footnote-46). For the investment component, the administration agreement further stipulates a semi-annual financial report and a semi-annual operational report summarising the activities undertaken by the programme during the previous period.

Furthermore, following a request by DESNZ, regular reviews (initially three, later increased to four) and six-weekly check-ins were set up to enable DESNZ to monitor and keep oversight of the programme. Delays (due to COVID-19) and a slow start to delivery (especially the fact that disbursements were below expectations) prompted this request. The six-weekly check-ins have since ceased as programme delivery has progressed and they were deemed by both parties to be no longer necessary.

In addition to these formal management and governance arrangements between DESNZ and IFC, informal activities, including ad-hoc working groups involving DESNZ and IFC stakeholders to work on and resolve specific issues (e.g., updating the Logframe), and ad-hoc conversations between individuals, also play an important role in governance of MAGC and coordination between IFC and DESNZ. These have developed over the course of the programme as team members within IFC and DESNZ have built up relationships through co-working.

### Appropriateness and effectiveness of the management approach

The management approach co-developed between DESNZ and IFC is appropriate to the needs of both parties and effectively supports the delivery of the programme. IFC and DESNZ stakeholders are satisfied that the structures in place facilitate the achievement of the programme’s objectives and allow for the necessary flexibility to adapt to changing circumstances.

#### The appropriateness, coherence, and complementarity of the roles of DESNZ and IFC

Programme roles and monitoring and governance processes in place are generally suitable, appropriate, and effectively supporting programme delivery. However, there were some tensions in programme management between IFC and DESNZ stakeholders around the level of involvement of DESNZ and the reporting requirements.

IFC’s delegated authority to deliver the programme and decide on investments was deemed appropriate by key programme stakeholders. DESNZ stakeholders referenced IFC’s experience in managing these types of programmes and particularly highlighted IFC’s skills and ability in engaging with the private sector and financial institutions and in making investments, which follow IFC’s organisation-wide standards and procedures. This is also referenced in the MAGC business case, where IFC is identified as ‘the only potential delivery partner capable of working at the scale to address multiple barriers, in multiple geographies, with competencies and experience in both technical and financial aspects.

IFC’s independence in making investment decisions (adhering to the agreed-upon parameters) was considered to enable quick delivery. DESNZ stakeholders have expressed satisfaction with the investment and advisory agreements achieving its purpose and IFC stakeholders were also positive that internal management and delivery processes worked well.

Some tensions were reported in the level of involvement of DESNZ, which exceeds what IFC is used to and what was envisaged originally. The governance approach, as was agreed during the project inception, foresaw a role for DESNZ that was quite removed, which has however evolved over the course of the programme so far. As explained by one stakeholder closely involved in the programme’s management, this was a reaction to senior representatives at DESNZ wanting closer involvement and greater insight into the programme’s process, especially after COVID-19 resulted in delays and a slow-down of the investment pipeline, and disbursement targets had to be pushed back. Additionally, at the beginning of the programme, informal communication was limited and thus information flows (and accountability) from DESNZ to IFC was considered insufficient by DESNZ.

Following this, additional formal and informal management and reporting processes have been introduced:

* Initially, one annual report and subsequent meeting were stipulated in the administrative agreement, but quarterly reviews were added upon request from DESNZ, as well as six-weekly check-ins.
* Additionally, quarterly meetings have become increasingly complex and formal due to expanding reporting requirements of the programme’s progress and pipeline developments.

There was an acknowledgement that the complex nature of the programme (namely, the fact that MAGC funding covers a range of activities) contributes to the extensive reporting requirements. Furthermore, programme reporting aligns to ICF reporting requirements. Nevertheless, it exceeds what IFC has previously experienced in other similar arrangements and also what was originally agreed upon, with implications on resources for IFC.

Reporting requirements have evolved and are expected to continue to evolve over the programme’s implementation. The six-weekly check-ins have ceased as they were deemed no longer necessary, as communication has improved and informal relationships have been built, and as programme delivery has overcome its initial delays and is now performing according to expectations. Furthermore, the quarterly reviews are now conducted biannually, following an agreement between IFC and DESNZ.

#### Communication between DESNZ and IFC

There were communication challenges stemming from differing expectations between IFC and DESNZ regarding information sharing. Despite these challenges, both parties have demonstrated adaptability and a willingness to find workable solutions to ensure effective monitoring and accountability.

A point of contention mentioned by programme-level stakeholders related to the type of information which is shared between IFC and DESNZ. There is a mismatch between the volume, frequency, and granularity of information DESNZ would like and that IFC is prepared to provide. In some cases, confidentiality prevents IFC from sharing detailed information, e.g., on the pipeline of investments where IFC can only share information (names) of financial institutions once investments are committed. Data on individual amounts of transactions by client cannot be shared specifically due to confidentiality (but are reported aggregated as part of the Logframe).

Furthermore, some of the data IFC is asked to report goes beyond the initial legal agreement and requires adaptation of monitoring throughout delivery. This was the case in recent discussions to adapt the indicators in the Logframe to include one indicator relevant to GEDSI. While this results in additional burden, especially on IFC, it weighs up against the evolving needs and objectives of the ICF team and DESNZ more widely. In the case of GEDSI specifically, this has evolved in response to the new UK ICF Strategy ‘Together for People and Planet’ in March 2023, which identified strengthening ‘the gender-responsiveness and inclusivity of UK climate finance for both adaptation and mitigation, including by increasing the proportion of climate finance that has gender equality as a principal or significant objective’ as a key objective.[[46]](#footnote-47)

Partially, high turnover, particularly within the DESNZ programme team, was considered to contribute to some of these lingering issues. The high turnover was considered to hinder the building of legacy knowledge and requires more frequent formal updates to ensure continuity in the flow of information, and on the other hand, it can make building relationships and ways of working harder.

Nevertheless, both DESNZ and IFC stakeholders reported that the governance and reporting processes were adapted in a pragmatic and concessional way, finding a solution that currently works for all involved and is suitable to effectively enable monitoring of progress. Trade-offs between reporting and other administrative burden and information and accountability needs have so far been managed effectively. However, as expected in funder-delivery partner relationships, some disagreements exist, considering that implications of decisions differ (with DESNZ expressing a need and requirement, but the majority of resource and administrative burden falls onto IFC).

#### Flexibility and adaptability

The findings of this evaluation indicate that MAGC programme’s management approach is flexible and adaptable, allowing for adjustments to programme elements and effective responses to changing circumstances. The programme’s administration agreement was set up to enable this flexibility; consistently building in provisions in which programme elements can be changed with joint written agreement (e.g., criteria related to financing instruments, country selection or exposure limits). Both DESNZ and IFC programme officials expressed satisfaction with the way in which the programme has been able to adapt to changing circumstances, with key examples highlighted being the inclusion of retrofits as eligible for investment (which was decided and added into the agreement in 2023) and changes to the scale of investments possible in individual countries. Both DESNZ and IFC considered that they had collaborated effectively in this, displaying a pragmatism and willingness to adapt to the needs and constraints of the other organisation where necessary.

Additionally, the governance processes setup between the two organisations were also found to facilitate regular review and adapting of the programme’s management. Formal check-in points are the quarterly and annual meetings (now biannually) and the six-weekly check-ins (which have since ceased), but stakeholders have also pointed out the importance of the more informal working groups and interactions to effectively find solutions and adapt the programme as needed. One key example mentioned was the more frequent collaboration between IFC and DESNZ on Component 4. These meetings (which happened monthly, and at times more frequently) were found to be extremely beneficial to discuss and agree on the changes to scope of Component 4. Not only are smaller working groups found to be more efficient, as they allow focused discussion on particular issues, but several stakeholders also mentioned that the informal nature of them allowed for the breaking-down of barriers and thus led to better relationships and collaboration.

“I will say though that having an operational working relationship with them has been so, so good for us in terms of being able to tweak the programme in real time to what we saw coming […] and so I think that in some ways that is also the benefit of having this, kind of, frequent, close contact is that you do build really good working relationships and you do build a lot of trust.” (IFC stakeholder)

While generally working well, the balance between formal and informal processes could be improved. In one instance, a stakeholder pointed out that at times decisions made in informal meetings are not recorded or not relayed to the relevant people, indicating that some inefficiencies may exist.

However, one challenge associated with the changes made over the course of delivery is the subsequent need to update and adapt programme indicators and targets. This causes some issues as DESNZ is bound by an internal process when changing indicators and targets. Additionally, it makes ongoing monitoring more difficult (due to the need to adapt what data will need to be collected and reported) and original assumptions will no longer be able to be tested in some cases. Processes can add additional time also due to the way in which the MAGC programme is set up within IFC, as changes to the programme require clearance from all four departments (FIG, BFD, CBD, CDI) involved and thus adding time as well as scope for different views and interpretations that can complicate the original ask.

#### Effectiveness of programme implementation processes

The programme management and delivery structure has been praised for its flexibility and adaptability, enabling successful implementation at regional and national levels. However, there is a recognised need to better involve UK public sector bodies in the programme governance at the country level.

The management and delivery structure of the programme within IFC was found to enable the necessary flexibility and adaptability in programme implementation. Regional programme stakeholders rated positively their ability to implement the programme at regional and national level adapted to local contexts and aligned with wider regional delivery plans positively and considered this a key success criterion.

The communication and coordination setup between IFC’s global, regional, and country teams is deemed to work well. The weekly meetings are considered frequent enough and effective in sharing progress and ensuring successful delivery of the programme. They also serve as a way in which regional and country teams can raise issues and discuss solutions as well as share lessons learned, not only with the global team but also with each other.

However, room for improvement was identified in the involvement of DESNZ and UK-associated public sector bodies (e.g., embassies and High Commissions) in the governance structure of the programme at country-level. While in some instances British Embassies engage with MAGC, most external stakeholders interviewed for this evaluation, including embassies and High Commissions, were not directly involved with the programme or did not even know about it. This has been identified as a missed opportunity by various stakeholders, particularly in supporting public sector engagement elements of the programme, as these bodies could leverage their networks and weight. This point has already been identified previously by IFC and DESNZ and is reflected in the updated recommendations for FY23 in the 2023 Annual Report.

### Benchmarking MACG’s management approach

#### How delivery models of other programmes and interventions compare with MAGC

When reviewed against other programmes in the ICF portfolio, MAGC sets itself apart through its focused approach on green buildings and its unique concessional finance model, contrasting with the broader scope and grant funding model seen in other programmes.

The sample for process evaluation interviews included a small number of representatives of climate finance programmes with similarities to MAGC, detailed below. These programmes are compared with MAGC in Table 5.3, assessing aspects of delivery:

* Mitigation Action Facility (MAF) (formerly known as the NAMA Facility) (DESNZ): programme delivered by GIZ (German development agency) comprised of a grant-based multi donor fund which offers technical assistance support and climate finance for mitigation projects to decarbonise energy, transport and industry. The technical assistance they provide aims to create an enabling environment, focusing on policy, capacity strengthening, and regulation, and working closely with partner governments and sub-national government agencies. The grant-based financial assistance involves working with in-country development banks and funding agencies to create and de-risk environments for further investments.
* Urban Climate Action Programme (UCAP) (DESNZ): A C40 delivered programme supporting 24 cities in developing countries to mobilise local political and technical leadership on net-zero, by implementing low-carbon and climate-resilient urban development policies, plans and projects. They work with two delivery partners: a) the German development agency GIZ who offer support through a project preparation facility developing low carbon infrastructure projects; and b) the C40 Cities Climate Leadership Group who implement climate action plans across different cities in Latin America, Africa and South-East Asia through embedded advisors in local government who mainstream the plan's actions and decision-making processes.
* C40 Cities South Africa Buildings Programme: A programme delivered by Sustainable Energy Africa, a non-profit organisation based in South Africa promoting equitable, low carbon, clean energy development in urban South Africa and Africa through research, capacity building, policy engagement and information dissemination. The programme is funded by the C40 Cities Climate Leadership Group, and supports participating cities (Cape Town, Durban, Johannesburg and Tshwane) to develop zero carbon building policies and codes and support their plans to achieve net zero carbon new buildings.

Table 5.3 Comparison of MAGC to other climate finance programmes

|  | MAF | UCAP | C40 Cities South Africa Buildings Programme |
| --- | --- | --- | --- |
| Similarities | * Capacity building component: MAF involves capacity strengthening partner governments and sub-national government in relation to policy and regulation. * GEDSI: GEDSI was not part of the programme’s initial aims. | * Capacity building component: UCAP utilises embedded advisors who build capacity in local government and conduct regional level activities. | * Governance: Key programme enablers are pre-existing relationships, partnerships and deep understanding of issues within the country for effective programme delivery, advisory and implementation support, e.g., Green Building Council, local chapters of societies, local government, legal and policy stakeholders, technical experts. * Capacity building component: The programme utilises staff in cities to bring dedicated capacity to the project, highlighted as particularly effective as grantee institutions often have insufficient resources. |
| Differences | * Scope: broader focus on decarbonisation, focusing on energy, transport and industry. * Governance: MAF liaises with British embassies in relevant countries to create overseas networks and gather intel on country context. * Financing: purely grant funding that can be used for a range of activities. * Investment/selection process: MAF hold annual calls covering two sectors, assess applicants on suitability; evidence of coordination with in-country partners; alignment with Nationally Determined Contribution commitments; ambition; and feasibility. External evaluators review financial feasibility. Longlist reviewed by Board who approve applications. * GEDSI: GEDSI is an aspect of projects, MAF have now formalised GEDSI integration through use of a gender action plan for projects to complete, making expectations for proposals’ inclusion of GEDSI clearer and more ambitious (mainly related to gender but MAF want to expand to other characteristics), adding indicators to the Logframe, and planning to create baseline metrics on different aspects of social inclusion. | * Scope: focuses on any aspect of a climate mitigation plan * Investment/ selection process: For the C40 programme they selected a final list of feasible cities from those they had previously developed climate action plans with, considering capacity and relationships with government. * GEDSI: see inclusion as a core component, embedded in project level targets. | * Scope: focuses on sustainable energy within cities more broadly (although green buildings are a core element of the programme). |
| for MAGC | * MAF’s involvement of embassies demonstrates how they can support network building and provide country context. * Financing: MAGC’s combination of concessional finance with a broader market accelerator approach appears to be quite unique. * Investment/selection process: MAF’s project selection process appears to be more detailed than MAGC’s and could provide useful insights. * GEDSI: useful learnings around how GEDSI can be integrated into a programme (even when it wasn’t included as an original aim) can inform future programming, for example the use of gender action plans on a project basis, including GEDSI as a criteria during selection, including metrics on different aspects of social inclusion. | * Investment/selection process: The C40 city selection criteria include relationships with government as a factor. This could be a consideration for MAGC alongside its current consideration of MAGC’s alignment with country government priorities | * Governance: the C40 Cities South Africa Buildings Programme demonstrates the importance of drawing on stakeholder knowledge and can be compared with MAGC who benefit from having IFC as the delivery partner who have pre-existing knowledge of the country context and networks in-country, and MAGC’s engagement of stakeholders through components 2-4. There could be an opportunity here to learn from the list of stakeholders engaged through the C40 Cities South Africa Buildings Programme[[47]](#footnote-48) to see if there are other stakeholder groups that MAGC could draw on to provide context, advice and support. This includes both specific South African stakeholders, and insights on the broader groups that could be engaged in different countries. |

The logic and appropriateness of MAGC’s management approach compared to similar programmes

MAGC’s engagement of key stakeholders and usage of IFC’s in-country expertise and networks is likely to be beneficial in enabling context-driven and appropriate implementation. However, MAGC could benefit from expanding some partnerships, for instance using embassies to further build in-country expertise and networks.

MAGC’s selection process for projects could benefit from a clearer and more detailed criteria. For instance, clarifying how transformational change is defined and including metrics on financial feasibility and evidence of coordination with partners in-country.

Although limited to one DENZ stakeholder, an interesting observation was made on DESNZ decision-making processes being more efficient on the MAGC programme than in other ICF programmes where DESNZ needs to approve any investments in construction, concessional finance and technical assistance, risking reducing the impact of these other programmes. Under MAGC, they reported that lots of investments had been completed as they did not require DESNZ approval. Potential draw backs to this, however, include that DESNZ’s awareness of investments could be lower; the connection to transformational change is less well measured and reported; and the merit of investments could be lower.

In terms of reporting requirements, although limited to one IFC stakeholder, an interesting observation was that while regular discussions through working-level meetings between IFC and DESNZ were useful, the level of reporting requirements for MAGC are far greater than other programmes IFC deals with. This could be partly due to the MAGC funding covering multiple components. However, it is also worth noting that MAGC is a bilateral programme between IFC and DESNZ, compared to other multilateral programmes in which IFC is involved that have more than one country donor, creating a different governance structure. The stakeholder reported that the recent switch to semester reporting was more effective and feasible when combined with the frequent working level discussions. IFC have advised that the Logframe already includes the complete list of indicators and has a tool to measure the programme’s progress, without the need for additional indicators in the Results Framework. To reduce the reporting burden, the list of indicators in the Results Framework could be reviewed to keep only those deemed essential for tracking programme progress.

GEDSI learning considerations tended to be a stronger component in other programmes. For MAF and UCAP, GEDSI indicators are included in programme monitoring, whether at a grantee level or programme level. MAF moved to formalise GEDSI considerations[[48]](#footnote-49) into the programme midway through implementation, a relevant finding given some stakeholders interviewed for this process evaluation want MAGC to focus more on GEDSI. All DESNZ ICF programming now requires GEDSI reporting, so a future iteration of MAGC would have GEDSI as a stronger, formalised component. While it may not be possible to amend indicators and monitoring criteria, the use of a GEDSI action plan on the MAGC programme could increase the focus on gender and social inclusion. This could include guidance and recommendations for programme and project staff.

### GEDSI Learnings

Learning about how Gender, Equality, and Social Inclusion (GEDSI) can be designed and delivered in future similar programmes is an objective of the process evaluation, as well as the early outcome evaluation and the outcome and impact evaluation. As laid out in the scoping report, GEDSI was not a consideration in MAGC’s design phase and is therefore not an objective for IFC nor embedded into monitoring processes. However, there are opportunities for identifying GEDSI learnings through the evaluation. This section includes learnings relating to different stages/components of the programme, as well as future considerations for embedding GEDSI.

#### GEDSI learnings on stages/components of the programme

One learning raised by an IFC stakeholder in relation to the programme is the challenge of identifying GEDSI outcomes. They stated that it is a challenge to identify how many women benefit from affordable housing or live in green buildings and benefit from energy savings as the majority of investments are by developers rather than individuals. Obtaining data from these developers on occupants is not always feasible, and in the case of MAGC, developers are not under the control of IFC, and it would therefore be challenging to gather this information.

#### Future considerations for embedding GEDSI

Despite GEDSI not being a consideration in MAGC’s design phase and not being embedded in monitoring processes, some DESNZ stakeholders highlighted the importance of GEDSI to DESNZ, and a need for IFC to pay more attention to GEDSI considerations in the programme.

Some stakeholders highlighted an opportunity for the programme to reduce the gendered skills gap in the knowledge of green buildings amongst construction professionals as the EDGE app is free and accessible, making it easier to become a certifier and opening up this new market to a wider population such as women. This reflects the inclusion of the new indicator on the gender split of auditors and experts within the EDGE green building certification Standard (monitored by IFC since FY 2023) within the GEDSI related indicators listed in the scoping report. This new market for EDGE job opportunities was highlighted by another stakeholder who wanted the programme to track whether EDGE expert accreditation has led to female construction professionals having improved job opportunities. They also wanted to understand to what extent EDGE champions are recruiting and training more women through efforts to address shortages of construction professionals. These points could potentially be explored in some of the case study research, assuming it is not possible to add indicators on this.

However, another stakeholder who saw GEDSI as an important component of the programme highlighted that the indicator assessing the gender split of auditors and experts within the EDGE green building certification Standard is not adequately addressing GEDSI outputs and outcomes. They highlighted that indicators should be focusing on the direct, endline recipients of green housing when assessing GEDSI (e.g., women receiving loans and social housing, and being developers or apprentices), rather than more intermediary benefits.

Finally, one stakeholder suggested that MAGC could increase its GEDSI benefits through including this as a criterion when investing in projects, for example banks with an existing portfolio of instruments which focus on gender, accessibility and social inclusion. This could be a consideration when designing future programming, to ensure projects have GEDSI as a core component. However, existing IFC blended finance facilities with a focus on GEDSI should be taken into account, to avoid overlap.

Below we have included some additional recommendations on how GEDSI could be integrated into future MAGC programme design:

* Integration of GEDSI at the design stage through situation analysis: Conducting a GEDSI situation analysis during design would identify the key needs, opportunities and challenges faced by women and marginalised groups, to ensure the programme is designed to meet these needs, utilise opportunities and tackle the challenges. This should be reflected in the programme Theory of Change and Results Framework. It would also identify potential risks posed by the programme to communities and avoid potentially harmful activities through mitigation. These analyses could be replicated at the project level, to ensure projects are tailored to their local context, cognisant of key barriers that the project could seek to improve, therefore maximising support for marginalised groups.
* Prioritising activities that empower marginalised groups and ensuring accountability: The situation analysis would identify these opportunities for empowerment, informing programme adoption of these activities and the inclusion of specific indicators and targets to measure progress, rather than more incidental targets. For example, instead of having an indicator asking about the gender split of auditors and experts within the EDGE green building certification Standard, the indicator could set a specific target for women and other marginalised groups receiving the EDGE accreditation, with sub-targets for women facing multiple forms of marginalisation.
* Effective disaggregation of monitoring indicators: Where relevant, key indicators could be disaggregated. This should go beyond gender disaggregation and also include disability, socio-economic background and other relevant forms of marginalisation (identified through the situation analysis). For example, indicators on increased knowledge and skills would benefit from this disaggregation.
* Inclusion of GEDSI expertise in programme management: GEDSI experts could play a key role throughout programme design, management and implementation to ensure GEDSI is sufficiently integrated and provide accountability. This could include experts by experience, for example through steering groups.

### Strength of evidence assessment

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Evaluation question | Answer | Sources of evidence | Strength of evidence rating | Rationale |
| EQ1: To what extent, and in what ways, has the management approach agreed with the Delivery Partner been appropriate and effective for MAGC? | The management approach and monitoring and governance processes in place are generally suitable, appropriate and working well, but communication could be improved. There were some tensions in programme management between IFC and DESNZ stakeholders around the level of involvement of DESNZ and the reporting requirements. Whilst the reporting requirements were in line with the requirements across the ICF portfolio, IFC perceived it to be greater than experienced on other programmes. | DESNZ and IFC stakeholder interviews  Programme documentation  Mapping of processes using interviews and business case  Review of MAGC approach against other ICF programmes  Interviews with stakeholders working on other programmes | 2 out of 1-4 | The findings are supported by primary and secondary data sources of decent quality, but that are observational and qualitative, and based mainly on consultations with stakeholders internal to the programme, introducing issues of bias. |

## 5.3 Programme countries and projects

### Key findings

The majority of respondents for both DESNZ and IFC were satisfied with the country selection process and the subsequent portfolio of countries. Having a high number of eligible countries was necessary to allow for IFC’s pipeline development. However, the high number of eligible countries has presented challenges in programme delivery and coordination for DESNZ.

The current portfolio of investments is coherent, relevant, and capable of having a transformational impact. An effective investment and pipeline development process by IFC has facilitated this. It is, however, too early to establish whether the investment portfolio is currently achieving transformational change.

The portfolio of blended finance projects could be improved by having a greater focus on green bonds to attract an increased amount of third-party investment.

Future iterations of MAGC could achieve increased success and maximise the transformational impact of the funding provided by expanding the eligibility criteria for investment and having greater collaboration with climate adaptation initiatives.

This section provides an assessment of the selection of eligible countries for the MAGC programme and the relevance and coherence of the portfolio of investment projects, answering EQ3: How effective are the choice of countries/projects in fulfilling MAGC’s objectives and supporting the UK’s International Climate Finance strategy? This includes an overview of the country and project selection process, assessment of the relevance of countries selected, and the overall coherence of the investment portfolio.

This analysis draws on a review of relevant programme documentation, including IFC annual reporting, in addition to a review of wider literature as part of our political economy analysis as outlined in Annex 3. This also draws extensively on qualitative interviews with members of the programme team for both DESNZ and IFC, and interviews with wider stakeholders.

### Overview of MAGC countries and investments

As of FY 2023, MAGC had achieved 13 blended finance investment projects in six of the 24 eligible countries: Indonesia, Egypt, Colombia, Peru, South Africa and India totalling of US$34.45 million in UK public sector financing[[49]](#footnote-50). The projects also achieved cumulative public sector financing of US$828 million, exceeding the FY target of US$373 million. The programme, however, did not meet its FY target for private sector financing, mobilising a total of US$32 million, compared to the yearly target of US$86 million.

The majority of the investments so far have been made to commercial banks using non-returnable capital instruments such as performance-based incentives (PBIs) and interest rate buydowns (IRBs). These investments supported by MAGC capital depleting instruments have included loans and green bonds. Each investment that has been made has also been accompanied with a programme of technical assistance to the Financial Intermediaries (FI). In addition, a total of three standalone advisory service engagements had been signed between IFC and financial institutions, in the countries of Brazil, India and Mexico, since MAGC programme inception.

### Choice of countries/projects

Country selection

The choice of countries for MAGC implementation is based on clear selection criteria, and the process is transparent and flexible. DESNZ and IFC established the initial country selection during the business case stage. This was based on IFC priority countries which included factors such as urbanisation, climate investment potential, government priorities, climate risk vulnerability, and the carbon intensity of the energy sector. DESNZ prioritised countries that could support climate change mitigation and stimulate growth through market transformation. Other deciding factors included the country’s green building market potential, the existence of EDGE experts and certified floor space, the development of a green building code, the availability of in-country FIs for concessional finance, and the need for technical assistance. Due to the assessment of these factors the resulting list of eligible countries is predominantly made up of middle-income countries.

“…when we designed our programmes in emerging countries, the first thing that the team contacted(sic) was to explore the market failures of the country, to look into the market. We conducted […] market research, to understand better about the market failures.” (IFC programme team member)

Interviews from both DESNZ and IFC indicated that the process was transparent, with the use of clear metrics on the assessment for each country providing visibility for both parties. In addition, the process was flexible, with countries able to be added or removed from the selection during delivery of the programme, if IFC were able to justify their inclusion against the eligibility criteria. For example, the initial selection of 23 countries was expanded to include Tanzania and Senegal, after IFC provided justification for their inclusion to DESNZ. In addition, Panama was removed from inclusion as a MAGC countries in 2022, since it was no longer eligible for ODA funding due to it no longer being classified as a low- or middle-income country.[[50]](#footnote-51)

Project selection (investment component)

The process for selecting investments is less structured than country selection. While this has been an effective process to identify opportunities, it would benefit from a metric or system to compare the transformational potential of investments.

Whilst country selection was done through a collaborative process between IFC and DESNZ, projects for investment were selected only by IFC with progress and final investment decisions reported back to DESNZ. Pipeline development was predominantly performed by IFC’s FIG-focused Investment Officers, who were responsible for meeting potential clients and setting up opportunities within their respective countries. Interviews indicated that the process for identifying investments at the country level was dynamic: centred on using relationships with financial institutions, networking and adapting to changes in macroeconomic conditions to identify investment opportunities.

“Sometimes it is reliant on a lot of things like macroeconomic conditions that are not in our control and usually there is some element of timing and client relationship or trust that is almost like intangible.” (IFC programme team member)

Following pipeline development by FIG, BFD was then responsible for deciding whether it would be appropriate for concessional finance to be deployed on any of the investment projects. In some cases, this was to specifically change the trajectory of a transaction that was already planned (i.e., to incorporate green buildings into a standard climate loan). This was assessed in line with IFC’s blended finance principles, which include the principles of minimum concessionality and crowding-in other lenders[[51]](#footnote-52). This effectively prioritised away from projects that had a high return on investment, as high profitability would limit the need for concessional finance to be provided. In addition, IFC, as a development finance institution, requires a higher level of additionality and screens investment opportunities to choose those that are likely to achieve the highest transformational change. However, IFC indicated that they do not use a specific metric or system to compare the transformational impact of investment projects across different countries, due to the fact that opportunities arise at different points in time and differences in country context and markets are difficult to quantify. Therefore, it is not possible to determine which investment projects had the highest transformational impact across countries.

### Relevance of countries selected

The current programme portfolio of countries appears relevant and aligns well with the strategic objectives of both IFC and DESNZ, as well as with the needs of the countries considered. However, the balance between the breadth and depth of the intervention emerged as an area of consideration in the evaluation, with the high number of countries supported potentially limiting the transformational change potential of the programme.

Interviews with both DESNZ and IFC programme team members were generally positive on the current selection of countries for the MAGC programme. Stakeholders external to the programme (mainly green building councils and high commissions) highlighted the relevance of a programme like MAGC in addressing the barriers to green construction in the countries targeted. In particular, the main needs identified by in-country stakeholders that MAGC can address related to lack of awareness (by both the construction and financial sector, and buyers) and lack of incentives for green construction.

“There’s a huge need. One of the main problems in here is the knowledge on the subject, not a lot of people know about it and a lot of people know a lot of things, but not the right things about it. A lot of people have this thing against certification systems because they think it’s, like, very business-oriented and it doesn’t really work, which is not true, of course. So, there is a lot of misinformation.” (Wider stakeholder – Peru)

A key theme emerging in the interviews with programme team members was the balance between breadth and depth of the intervention. Some members of the DESNZ team felt that delivering support to a relatively large number of countries could limit the size of funding that could be provided in each investment project, which could limit the extent to which transformational change outcomes are realised. The high number of eligible countries are meant that DESNZ faced challenges in the organisation, planning and delivery of ICF strategy and communications with in-country embassy teams.

However, DESNZ and IFC both indicated that having a large list of eligible countries allows IFC to choose suitable investment opportunities across a wider range of countries. Interviews with IFC indicated that having a wide scope allows IFC to be opportunistic with identifying and agreeing to investment opportunities with financial institutions, which can often be reliant on timing, relationships and wider macroeconomic conditions. For example, investment opportunities can arise in a country or market that were not previously predicted, so having a relatively large scope of eligible countries enabled these opportunities to be explored. This could allow greater scope for high impact investment. In addition, for the EDGE component, updates to the system – at both the central and country level – are predominantly resourced through IFC. This therefore limits the extent to which a country addition adds to increased cost to DESNZ for the EDGE component.

### Relevance and coherence of the investment portfolio

The current portfolio of investments appears coherent, relevant, and capable of having a transformational impact. The instruments used (PBIs) seem relevant to meet customer demand challenges. However, PBIs contribute to delays in disbursement due to their verification requirements, and it is overall too early to establish whether the investment portfolio is currently achieving transformational change.

As of the FY 2022 Annual Report, seven investment projects had been confirmed in the six countries of Indonesia, South Africa, Egypt, Colombia, Peru and India. By FY 2023, the programme made significant progress, achieving a total of 13 blended finance investment projects all located in the same six countries. Interviews with the IFC programme team indicated that this clustering was due to a number of key factors:

* Appetite for green buildings: IFC indicated that interest in some countries within the financial sector and within the wider market varied significantly between eligible countries. This was dependent on wider attitudes towards green development and characteristics of the building market (including the number and size of firms in the market and segmentation of the market). Government policy, including wider green policy initiatives and regulation for building green, also impacted attitudes within the financial sector. This meant that success in closing investment deals was more likely in certain countries.
* Relationship building: Achievement of investment deals within countries allowed the IFC country teams to build relationships within the financial sector. This enabled IFC to engage with other FIs, leading to further success in securing investment projects.
* Proof of concept: Successful investment projects within the country acted as evidence of the validity of MAGC funded blended finance projects to other FIs. This meant that the team had greater success in securing additional deals within the country.

Interviews with members of the IFC programme team largely indicated that the current investment portfolio was having a significant developmental impact. This was seen to be particularly the case in South Africa, where IFC representatives and wider stakeholders indicated that the MAGC funding had catalysed a significant amount of private investment subsequently leading to market development within the residential building sector. Interviews from IFC indicated that MAGC was increasing the commercial sustainability of private investment in green buildings within South Africa, moving away from the need for concessional finance. This market development was seen by IFC programme team members and wider stakeholders interviewed to be facilitated by significant appetite for green buildings and green energy infrastructure development within the private sector and residential market in South Africa. This was because it offered relief to the ongoing South African energy crisis, known as load shedding, where there are frequent nationwide blackouts. However, it is worth noting that whilst interviews were largely supportive of the developmental impact of the current investment portfolio, it is too early to ascertain the extent to which the current portfolio, and the overall MAGC programme, is achieving transformational change.

The majority of countries where investment projects have been undertaken are priority countries for DESNZ’s ICF portfolio, with Egypt being the only non-priority country included. Furthermore, the current selection covers a diversity of countries in terms of their economic development. For example, there is significant variation in the Gross Domestic Product (GDP) per capita, development classification, unemployment rate and population. In addition, there is variation in the extent that the MAGC funding aligns with wider green policy within the government. For example, the Colombian government has a specific focus on facilitating growth in the green building sector, with specific sectoral mitigation measures for green buildings outlined in their nationally determined contribution (NDC)[[52]](#footnote-53). Interviews with in-country programme team members also indicated that the Colombian government was engaged with green buildings and the wider green agenda. Comparatively, Indonesia does not specifically make commitments to green buildings in their NDC, and interviews indicated that the government was conflicted over their commitment to green policies compared to other developmental policies (such as infrastructure or economic development). This is summarised in Table 5.4 below.

Table 5.4 Overview of country characteristics of investment portfolio

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | ICF priority country**[[53]](#footnote-54)** | Need for technical assistance finance**[[54]](#footnote-55)** | GDP per capita (2022)**[[55]](#footnote-56)** | Development classification (2022)**[[56]](#footnote-57)** | Green building targets are detailed in the country’s NDC**[[57]](#footnote-58)** |
| Indonesia | Yes | Low | $4788 | Upper-middle | No |
| Egypt | No | Strong | $4295 | Lower-middle | Yes |
| Colombia | Yes | Low | $6624 | Upper-middle | Yes |
| South Africa | Yes | Low | $6767 | Upper-middle | No |
| Peru | Yes | Low | $7126 | Upper-middle | No |
| India | Yes | Medium | $2411 | Lower-middle | No |

Whilst IFC has a number of different concessional finance instruments at its disposal, of the investments that have been made so far, the majority have been made to commercial banks, using PBIs. The success in securing these investment deals, as opposed to alternative finance instruments, was due to the fact that PBIs can be used to lower the interest rates for customers buying green and to partially offset construction costs for developers building green, as cited in an interview with a member of the IFC programme team. This was particularly attractive to commercial banks, as the problem they faced was limited customer demand, rather than insufficient capacity to commit to risky investments (which could be addressed through an alternative concessional finance instrument). However, the fact that the majority of the investments in the portfolio have been through PBIs has also been a significant contributor to the delay in the amount of finance disbursed to financial institutions. This is because PBIs require verified results to be paid out and require time to be spent validating reporting by financial institutions before funding (in the form of PBIs) can be disbursed. IFC indicated that the future portfolio could be developed by having a greater focus on green bonds, which would facilitate greater mobilisation of private finance. Whilst interviews indicated that some of the private finance mobilised so far has not been accurately captured by commercial banks, there has been lower than expected involvement by third-party lenders in the investments undertaken so far. The increased use of green bonds could increase private sector mobilisation by encouraging other investors to raise debt.

Finally, for future iterations of MAGC or similar future programmes delivered by DESNZ, respondents from IFC indicated that the programme could mobilise greater private sector investment and maximise the transformational impact of its investments through the following changes to the remit of the programme:

* Expansion of eligible investment recipients: Currently, MAGC funding can only be provided to FIs. The IFC programme team indicated that this could be expanded to also include manufacturers, largescale housing providers, real estate holdings or hotel groups to invest in green building. This could achieve significant transformational impact, within a shorter time than funding allocated to FIs. For example, a manufacturing provider or real estate holding could directly invest the funding into a new largescale manufacturing or commercial development, leading to significant supply chain or market development. This was also cited as allowing greater synergies and collaboration between the FIG and other teams within IFC who manage manufacturing and infrastructure investments.
* Greater collaboration with climate adaption initiatives: A potential area of complementarity between EDGE and other initiatives has been identified by IFC country level stakeholders in building resilience initiatives. For example, an innovation of IFC is the Building Resilience Index – a web-based hazard mapping and resilience assessment framework designed by IFC that assessing a buildings climate resilience to natural disasters, wind, floods and drought, currently active with projects in the Philippines. This offering was cited as potentially attractive to businesses in other countries as well, in particular Vietnam, as they could increase the incentive, when combined with EDGE, for greener and more resilient construction. Future investment strategy, or programme design, could have a greater focus on unifying incentives for climate mitigation and resilience.

### Strength of evidence assessment

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Evaluation question | Answer | Sources of evidence | Strength of evidence rating | Rationale |
| EQ3: How effective are the choice of countries/projects in fulfilling MAGC’s objectives and supporting the UK’s International Climate Finance strategy | The choice of countries for MAGC implementation is based on clear selection criteria and aligns with IFC and DESNZ's strategic objectives and the needs of the selected countries. However, the balance between the breadth and depth of the intervention emerged as an area of consideration in the evaluation, as supporting many countries might limit the programme's transformational impact. Evidence from primary and secondary data collection indicates that, the current portfolio of investments is coherent, relevant, and capable of having a transformational impact. It is, however, too early to determine whether the investment portfolio is achieving transformational change. | DESNZ and IFC stakeholder interviews  Programme documentation  Portfolio analysis  Political economy analysis  Mapping of selection processes using interviews and business case  Consultations with programme and external stakeholders | 2 out of 1-4 | The findings are supported by multiple sources (good triangulation), with primary data coming from interviews with stakeholders both internal and external to the programme. However, considering the scale of the programme the sample is still too small to rate the strength of evidence as 1. |

# 6. Conclusions and recommendations

## 6.1 Conclusions

The Market Accelerator for Green Construction (MAGC) is a well-conceptualised programme, with a programme design that is conceptually logical and relevant to the needs identified in the programme business case. The above report identifies the following key findings which – at this stage of the evaluation – are broadly in line with the evaluation questions, with limited identification of unintended or unexpected findings.

### Theory of Change

The Theory of Change has been found to accurately represent the core mechanisms and pathways of the programme. However, improvements can be made to increase the accuracy and completeness of the Theory of Change. Specifically, clearer connections between the four components of the Theory of Change, better representation of timings of outcomes, and improved linkage of Theory of Change elements to the Logframe indicators will likely enhance the accuracy of the programme Theory of Change.

The Theory of Change also had some external validation through stakeholder consultations and external literature. Key findings included the importance of a full ecosystem approach to accelerate green construction, with the combination of financial mechanisms, technical assistance, and policy and regulatory support.

The MAGC programme design demonstrates strong complementarity and interconnectedness amongst its four components. This process evaluation suggests that these links could be further specified to enhance programme efficiency. However, the current Theory of Change design does not cover all aspects and details of MAGC programme delivery, including the linkages between the four components and their corresponding outcomes.

### Management and Governance approach

The programme’s management approach has a high degree of flexibility and adaptability, allowing it to respond in real-time to new opportunities and contextual changes. However, some tensions were reported around achieving the right level of involvement for DESNZ, including a balance between formal and informal decision-making and the volume and frequency of information sharing between the organisations.

Capacity building strategies and the involvement of embassies are areas where MAGC could potentially draw learning from other programmes analysed in this evaluation phase to improve delivery.

When reviewed against other programmes in the ICF portfolio, MAGC sets itself apart through its focused approach on green buildings and its unique concessional finance model, contrasting with the broader scope and grant funding model seen in other programmes.

Gender Equality, Disability and Social Inclusion considerations were not part of the MAGC programme’s design phase. The importance of GEDSI to DESNZ and the need for IFC to include GEDSI considerations in the programme emerged as a key point in the review. For future programme design, opportunities for improvement mainly lie at the design stage through detailed situation analysis and effectively disaggregating monitoring indicators. Additionally, involving GEDSI experts in programme management is recommended for ensuring comprehensive inclusion and accountability. These measures will ensure a more holistic approach to GEDSI, targeting not only gender but also disability, socio-economic background, and other forms of marginalisation. The incorporation of GEDSI into selection criteria and investment decisions would need an assessment of feasibility to consider other facilities currently active at IFC in this space and the potential overlap with MAGC.

### Programme countries and projects

The choice of countries for MAGC implementation is based on clear selection criteria and aligns well with the strategic objectives of both IFC and DESNZ, as well as with the needs of the countries considered. However, the balance between the breadth and depth of the intervention emerged as an area of consideration in the evaluation. While there was consensus among programme stakeholders that having an eligible country pool allows to pursue opportunities more flexibly, there were some concerns around diluting the funding by supporting several countries and potentially limit the achievement of transformational change.

The current portfolio of investment is coherent, relevant, and capable of achieving transformational change. It is likely that this has been facilitated by the effective investment and pipeline development process implemented by IFC.

## 6.2 Recommendations

The following recommendations have been developed based on the key findings identified above, and considerations made around their priority and whether they are actionable by programme stakeholders.

### Theory of Change

DESNZ and IFC could consider adjusting the Theory of Change to enhance its accuracy and completeness and provide a more robust framework for MAGC. Recommended edits and specifications include:

* Establishing clearer links and feedback loops between the four components (for example, by making clear in the ToC how the Research component feeds back into the investment and advisory and capacity building components)
* Specifying outputs, outcomes, and impacts in the Theory of Change diagram
* Clarifying in the Theory of Change timings of the outcomes (longer term versus shorter term)

Priority: High – very important to allow tracking of programme impact and transformational change

Feasibility: High – agreement from both DESNZ and IFC to make adjustments to the Theory of Change

For future iterations of the programme, the Logframe could benefit from the introduction of indicators to evaluate whether the expected energy and carbon savings identified in pre-construction certification translate to actual energy and carbon savings. This would provide a more accurate representation of the impact of MAGC.

For example, the results from the Smart Metering Study as part of Component 4 could feed into this, given that the study is piloting this concept. A future Logframe could be informed by these results in the countries where the study is active to inform whether results could be collected more broadly in a future programme. Moreover, the results framework contains the following indicators that are currently not in the Logframe but could be relevant to this matter: Water use expected to be avoided (m3 per year) from design certified green buildings (Indicator 9) and Expected embodied energy avoided (mega joules) from design certified green buildings (Indicator 11).

Priority: Medium – while the introduction of indicator is key to capture the longer-term impact of MAGC, it does not prevent the measurement of the current programme’s impact

Feasibility: Low – adding new indicators would require substantial time and resources of the programme team

DESNZ and IFC could consider periodic reviews and updates to the Theory of Change given the changes in the MAGC programme team and the programme design. This will ensure the Theory of Change remains relevant and accurately reflects the programme’s objectives and mechanisms. This could happen during or after the independent evaluation and include an assessment of whether the intended pathways to change, including financial, capacity building, and regulatory mechanisms, are being effectively implemented in line with the ToC.

Priority: High – very important to allow tracking of programme impact and transformational change

Feasibility: High – agreement from both DESNZ and IFC to make adjustments to the Theory of Change. The programme teams welcomed a revision of the Theory of Change as part of the independent evaluation, and an initial proposal of a revised Theory of Change diagram is included in Annex 8.

### Management and governance approach

Communication and expectation-setting between DESNZ and IFC regarding monitoring and reporting processes could be improved going forward. While all parties involved display pragmatism and adaptability, setting clear expectations specifically regarding flexibility, resource planning, and potential future adaptation from the beginning could prevent disagreements and could potentially also enable processes to be set up in a way that would allow more easily to update and adapt to changing circumstances. As the programme is now ongoing, actions that could be taken include having the current monitoring and reporting processes as a standing agenda item for biannual meetings, to ensure any misalignments are discussed and to enable any future adaptations where relevant.

Priority: High – very important to enable smooth delivery of the programme

Feasibility: High – buy in from both DESNZ and IFC

The balance between formal and informal governance processes could be improved in regard to decision-making: decision-making outside of formal governance processes should be promptly formalised to ensure decisions are captured and relevant stakeholders are informed. This should be done in a light-touch way, to avoid losing the benefits to efficiency and effectiveness that informal collaboration between DENSZ and IFC brings and avoid further administrative burden.

Priority: High – very important to enable smooth delivery of the programme

Feasibility: High – buy in from both DESNZ and IFC

There is room for greater communication with and involvement of DESNZ and overseas UK missions and agencies (e.g., embassies) in the delivery of the MAGC programme, to leverage existing networks and support engagement particularly of public sector stakeholders. The level of awareness of the programme and collaboration between the programme and bodies such as embassies varied greatly between countries. A more formal role for these bodies in programme governance could harmonise approaches, ensure synergy, and avoid overlaps It is important to acknowledge that the 4th Annual review recommendations, include among the action points to implement a systematic engagement strategy of embassies to facilitate programme delivery in-country. This engagement would be mostly relevant for the capacity building component of MAGC, and potentially led by DESNZ to establish links with relevant overseas staff. More communication with overseas UK bodies would also be important to better understand the country context and the implications of country-specific legal frameworks on the programme and on the green building market.

Suggested approaches to increase collaboration with overseas agencies could include:

* Involvement in country activity selection: the involvement of UK Embassies is mostly relevant to Component 2 (country-level capacity building), potentially leveraging their knowledge of the local environment to target relevant stakeholders for programme activities. An example of success of this type of approach comes from the Climate Finance Accelerator programme[[58]](#footnote-59), where in some instances, adaptation to delivery and sectors targeted by the programme have been informed by feedback from the Embassy.
* Leveraging the embassies network for stakeholder engagement: links with overseas agencies could be used by DESNZ to raise awareness about the MAGC programme with wider policy stakeholders. The Climate Finance Accelerator programme also offers an example of this, where local embassy representatives are involved in regular meetings with the delivery partners and press releases by High commissioners and embassies encouraged more interaction with the programme.
* UK Embassies involvement in MAGC led activities: involvement of embassy staff in MAGC’s awareness and understanding activities (e.g., workshops) could increase awareness of MAGC within UK agencies as well.

Priority: High – very important for the enabling environment of green market transformation, and recognised in the annual review as an action to take forward

Feasibility: Medium – while both parties recognise its importance, this is more actionable by DESNZ than IFC.

### Programme countries and projects

Regular reassessments of the breadth versus depth of intervention: MAGC’s assessment processes for the selection of countries and investments resulted in a relevant and coherent portfolio. Making the assessment regular, making use of the findings on impact from the interim early outcome evaluation and from the research component, would ensure balance in the breadth versus depth of the intervention. This could involve developing a set of criteria for assessing potential countries, which could be reviewed and updated annually. These could include the country’s current status and readiness for green construction, the potential for impact, the level of government support for green construction, and any social and environmental considerations.

Priority: High – very important for effective achievement of programme objectives

Feasibility: High – buy in from both DESNZ and IFC

Tracking transformational impact of investments: As the outcomes and impacts of investments take time to materialise, the pipeline development and scoping phase of investments could benefit from the addition of an assessment by the IFC team to track or compare the transformational potential of the investments in country. This could be done, for example, by compiling all decisions on why an investment was considered transformational in one document (currently only tracked at programme level). This could also alternatively be done through the use, and presentation, of a dynamic typology for assessing the investment opportunities. The portfolio of blended finance projects could be improved by having a greater focus on green bonds to attract an increased amount of third-party investment.

Priority: High – very important to ensure the programme targets the most impactful investments

Feasibility: Medium – would require additional tracking instrument put in place by IFC programme team

Coordination and alignment with complementary interventions: In countries that are most vulnerable to climate disasters, the incentives for green construction could be further facilitated by aligning green construction to resilient construction. MAGC could consider synergies both with mitigation focused programmes (such as MAF, UCAP, C40 programmes) and with resilience and adaptation-focused programmes (for example, the Building Resilience Index) to further reinforce the case for green buildings.

Priority: Medium – while this is important to ensure there is no duplication and maximise programme impact, MAGC unique remit makes this less of a priority

Feasibility: High – Connections of ICF and IFC teams with other programmes could facilitate this.

## 6.3 Wider lessons

The process evaluation of MAGC provides wider lessons learned that could be beneficial for other programmes in the green construction or climate finance space. These include:

* Theory of Change refinement: Programmes should consider regularly refining and updating the Theory of Change to accurately reflect programme objectives, mechanisms, and context, and developing a process for continuous reviews and updates, considering changes in the team, design, and context.
* An overall flexible management approach allows MAGC to respond in real-time to new opportunities and changes, highlighting the importance of adaptability in programme design. Especially for programmes that have a broad geographical scope and are dynamic in nature, this could prove an effective governance approach, but clear communication and decision-making processes must be established from the beginning to avoid inefficiencies.
* Balance between the breadth and depth of intervention: In MAGC, programme stakeholders agreed that having a long list of countries that are eligible for support allows for effective response to needs and a wider range of investment opportunities. However, while this allows for a wider range of investment opportunities, it could potentially limit the funding provided to each country and hence, the extent of transformational change outcomes.
* All DESNZ ICF programmes are now required to report on GEDSI. Therefore, GEDSI should be a key consideration during the design phase of future similar programmes. It is challenging to incorporate indicators and criteria retrospectively, especially for programmes that do not have GEDSI within the Theory of Change and intended outcomes and impacts of the intervention (e.g., similar to MAGC, where their main aim is achieving green construction and emissions reductions impacts). Opportunities to integrate GEDSI include capacity building, which can benefit marginalised groups including women, people from lower socio-economic backgrounds and people with disabilities, helping them access skilled work and the labour market. Another opportunity within green buildings programmes is increasing access to affordable housing and energy efficient housing with lower energy bills. This benefits people from lower socio-economic backgrounds and should also be targeted at people facing multiple forms of marginalisation. Another opportunity is providing leadership opportunities within projects for people from marginalised groups.
* Learning and adaptation: For programmes with a flexible delivery approach, it is important to encourage a culture of learning and adaptation within the programme and establish robust monitoring and evaluation frameworks from the onset. This involves creating mechanisms for capturing and sharing lessons learned (the MAGC Research component is an example of a programme component designed to feed information to other components) and using these insights to inform implementation and improvement.
* The collaboration of multiple departments (from the IFC side) allows for a holistic approach to market transformation, and addresses challenges in the ecosystem. Delivery partners of programmes that aim to achieve transformation should consider, where applicable, establishing formal mechanisms for cross-departmental collaboration to ensure a comprehensive and coordinated approach.

# Annex 1: Evaluation framework

Includes evaluation criteria, evaluation questions, evaluation indicators, data sources and methods.

| DAC criteria | Evaluation questions | Judgement criteria | Data collection methods | Data sources | Analytical methods |
| --- | --- | --- | --- | --- | --- |
| Relevance | 1. To what extent, and in what ways, has the management approach agreed with the Delivery Partner been appropriate and effective for MAGC? | Description of the management approach   * Which stakeholders design and govern management processes? * What are the different components of the approach? * What is the rationale behind its design? * Where are the potential stress points places – e.g., where resources are less or there is disagreement between stakeholders as to its purpose? * Comparison of these with MAGC’s objectives | Review of programme documentation  Stakeholder interviews | Programme business case, administrative agreement, and other documentation  In-depth interviews with IFC and DESNZ (programme level) | Process mapping of the management approach  Content analysis of programme documents  Qualitative analysis of stakeholder interviews |
|  |  | How the management approach was agreed between DESNZ and IFC:   * The roles of DESNZ and IFC in the design and implementation of programme components and its design logic (when mapped against objectives of the programme) * The extent to which the management approach is reviewed regularly and is flexible and adaptable to change * Extent of alignment of identified objectives against what was delivered (timeline objectives, collaboration among teams) | Review of programme documentation  Stakeholder interviews | Programme business case, administrative agreement, and other documentation  In-depth interviews with IFC and DESNZ (programme level) | Process mapping of the management approach  Content analysis of programme documents  Qualitative analysis of stakeholder interviews |
|  |  | Key stakeholders’ view on how the processes are working and any potential improvements that could be made:   * Where things seem to be working well and less well * The value of different processes for different stakeholders | Stakeholder interviews | In-depth interviews with IFC (programme and country level) and DESNZ | Qualitative analysis of stakeholder interviews |
|  |  | Alternative approaches   * How delivery models of other programmes and interventions compare with MAGC * External validity - the logic and appropriateness of the approaches compared to what other similar programmes are doing. | Desk research  Stakeholder interviews | Programme documents of other ICF or non-ICF interventions  In-depth interviews with stakeholders involved in other programmes | Comparative analysis of MAGC with other ICF or similar non-ICF programmes |
| Relevance | 2. To what extent are the results mechanisms illustrated in the Theory of Change of MAGC accurate? | Design process   * Underpinning interdependencies and assumptions of MAGC approach * How the mechanisms were planned and designed * Adaptability of the Theory of Change – i.e., whether it was reviewed and/or updated in response to changes in context * Robustness and transparency of the design process – whether the design process has been comprehensive in its involvement of key stakeholders | Stakeholder interviews  Stakeholder workshop | Theory of Change workshop with programme stakeholders  In-depth interviews with IFC and DESNZ (programme level) | Critical review of the MAGC Theory of Change following Davies (2013) evaluability assessment checklist |
|  |  | Perspectives of key stakeholders   * Comprehensiveness of results mechanisms illustrated * Views of stakeholders on the accuracy/validity of the results mechanisms | Stakeholder interviews  Stakeholder workshop | In-depth interviews with IFC and DESNZ (programme and country level) | Qualitative analysis of stakeholder interviews and stakeholder workshop |
|  |  | Theory of change review   * Independent evaluation team view on the logic, transparency and comprehensiveness of the Theory of Change and its alignment with other representations of the MAGC’s strategy * Extent to which the evidence base supports the validity of the assumptions * Accuracy of the Theory of Change in reflecting the objectives and ambitions of all stakeholders implementing and governing MAGC * Do the Interaction of the four programme components in practice and whether they mutually reinforce each other | Desk research  Stakeholder interviews  Stakeholder workshop | Theory of Change workshop with programme stakeholders  In-depth interviews with IFC and DESNZ (programme and country level) | Critical review of the MAGC Theory of Change following Davies (2013) evaluability assessment checklist  Qualitative analysis of stakeholder interviews and stakeholder workshop |
| Relevance | 3. How effective are the choice of countries/projects in fulfilling MAGC’s objectives and supporting the UK’s International Climate Finance strategy? | Country and project selection process   * Transparency and logic of the selection process * Alignment with MAGC objectives and priorities * Extent to which selection has been based upon a robust review of needs and barriers * Concerns or challenges around the selection * Rationale for the selection of each * Roles and responsibilities in the selection process | Documentation review  Desk research  Stakeholder interviews | Programme portfolio data  IFC selection criteria  External data on countries political economy  In-depth interviews with T0 (programme level) and T2 country stakeholders | Portfolio analysis  Process mapping of the selection process  Political economy analysis  Qualitative analysis of stakeholder interviews |
|  |  | Relevance to HMG policy needs and in-country needs   * Extent to which projects (together or separately) address the needs identified in MAGC countries for green construction * Alignment of the selection of countries with HMG priorities * Specifically, to what extent the different countries selected look likely to achieve transformational potential, additionality, and commerciality | Documentation review  Desk research  Stakeholder interviews | Programme portfolio data  IFC selection criteria  External data on countries political economy  In-depth interviews with T0 (programme level) and T2 country stakeholders | Portfolio analysis  Process mapping of the selection process  Political economy analysis  Qualitative analysis of stakeholder interviews |
|  |  | Coherence of the resulting portfolio   * How complementary are the projects selected? * The extent to which the selection of countries/projects acts as a whole (sum greater than parts) * Alignment of projects with needs of the selected countries / sectors * Whether projects together and/or separately address the barriers that the programme aims to address * Are there any trade-offs in the choice of countries in their relative likelihood to support different MAGC objectives | Documentation review  Desk research  Stakeholder interviews | Programme portfolio data  IFC selection criteria  External data on countries political economy  In-depth interviews with T0 (programme level) and T2 country stakeholders | Portfolio analysis  Process mapping of the selection process  Political economy analysis  Qualitative analysis of stakeholder interviews |

# Annex 2: Technical annex and ethical considerations

### Methodology

The process evaluation aims to investigate how the MAGC programme has been designed, managed, and delivered, and identify any areas for improvement to inform strategy and governance at the programme level.

During the scoping phase, a framework (‘evaluation matrix’) was developed which set out the evaluation questions against judgment criteria, analytical methods, and data sources. The programme delivery processes across the four programme components were mapped out alongside hypotheses around how MAGC was being delivered. Additional lines of inquiry were also added to the matrix following initial scoping interviews. The matrix was then used to develop the questionnaire and topic guides for primary data collection.

The process evaluation is the first phase (1a) of the interim evaluation, which also includes an early outcome evaluation (1b). As part of the process evaluation, these actions have been undertaken by Ipsos:

* Theory of Change review and workshop, analysing its casual links, interdependencies, risks, and assumptions (EQ2[[59]](#footnote-60)). For this, Ipsos built upon Davies’ Evaluability Checklist (see Annex 7) and recommendations of a report that they produced for the NAMA Facility (now MAF) on lessons learned to design Theory of Change for programmes that aim to achieve transformational change.[[60]](#footnote-61) A workshop with the core members of the MAGC team was carried out to examine the programme Theory of Change and whether its elements, links and assumptions are still valid during programme delivery. The workshop lasted 1.5 hours and it was held online. It was chaired by Ipsos and attended by the core teams at DESNZ and IFC.
* Political economy analysis: a light-touch political economy analysis (PEA) has been carried out for T1 countries (all MAGC eligible countries). This included a high-level review of the countries’ political and economic context, and specific context of climate policy. The purpose of a light-touch review of countries’ PE is twofold: 1) establishing a baseline for the evaluation, to follow any changes in the countries context and enabling environment throughout the evaluation; and 2) to inform and complement the findings on the relevance of country selection. The purpose of the PEA is to provide a standardised approach to assessing and categorising information across MAGC countries in a concise way. This will allow for changes to be tracked over time at the different stages of the evaluation as well as allowing comparison across countries of the MAGC programme.
* Process mapping: the evaluation team, through interviews and documentation review, updated the process map included in the scoping report with more detailed information on the decision-making processes whereby countries and projects are selected (EQ3[[61]](#footnote-62)), and interaction between components.
* Review of other programmes: comparing MAGC with a selection of other delivery approaches in the programmes identified in the scoping phase and assess its added value (EQ1[[62]](#footnote-63)). During the scoping stage, the evaluation team carried out a review of ICF programmes similar or complementary to MAGC, based on their sector, area of focus, and type of intervention. Three programmes were identified as most similar to MAGC and reviewed through desk research and programme stakeholder interviews: Mitigation Action Facility (MAF, former NAMA Facility); Urban Climate Action Programme (UCAP); and Sustainable Energy Africa (part of C40 Cities). During the process evaluation phase, interviews were conducted with stakeholders from two programmes considered to be most similar to MAGC, at programme level, and questions about similar programmes operating at country level were included in the country-level interviews.
* GEDSI assessment: one of the aims of the process evaluation is to identify any learnings or missed opportunities in terms of GEDSI. As part of the programme level and country-level interviews, the evaluation team has collected views from programme team and external stakeholders on how GEDSI could be considered for future programme design, and any examples from similar programmes.
* Consultations with programme stakeholders: 15 interviews were conducted with programme stakeholders at DESNZ and IFC. These included nine interviews with the core programme team at DESNZ and IFC, and six interviews with in-country IFC offices responsible for the delivery of MAGC. The main purpose of these interviews was to explore their perception, across all three evaluation questions, on programme processes so far. Before participating in the interviews, stakeholders received a privacy notice outlining their rights to withdraw from the study as well as how and for how long their data will be kept by the evaluation team for research purposes only under this assignment.
* Consultations with external stakeholders: 14 interviews were conducted with stakeholders external to the programme. These included, at programme level, stakeholders at DESNZ responsible for other ICF programmes with similarities to MAGC, and at country level, stakeholders from UK Embassies/High Commissions, Green Building Councils or Associations, Policymakers. The purpose of these interviews was mainly to capture the need for a programme like MAGC in the countries with MAGC substantial delivery, the context in which MAGC operates and any similar programmes for complementarities. Annex 5 contains the list of consultees, and Annex 6 the interviews topic guide. Like in the case of programme stakeholder consultations, participants of these interviews received a privacy notice prior to the interview.

### Primary data collection

#### Research tools development

For primary data collection, the evaluation used semi-structured interviews with programme and external stakeholders. Semi structured interviews were based on topic guides (included in Annex 6 of this report). The topic guides were developed based on the overarching evaluation questions, specific judgment criteria, and the type of stakeholder consulted. They were finalised in agreement with DESNZ, tested with a first sub-sample of programme stakeholder interviews, and refined for the subsequent interviews.

#### Sampling approach

Stakeholders have been selected to participate in primary collection based on the level of knowledge they hold. The aim was to ensure that IFC and DESNZ stakeholders involved with design and delivery of all four components of the programme, as well as wider programme stakeholders, are included.

A purposive sampling[[63]](#footnote-64) approach has been used to select participants that are most suitable for depth interviews. This is primarily to ensure that, from the available stakeholders identified, participants are selected that have relevant knowledge of the programme (or the part of the programme they are engaged with) design, delivery, implementation, and impact.

IFC & DESNZ Programme Level Stakeholders: IFC & DESNZ programme level stakeholders were purposively sampled to select participants that hold key information about the programme, its history, its rationale and its delivery and important perspectives / viewpoints about the effectiveness and efficiency of delivery. This includes stakeholders involved with the design and setup of the programme from IFC and DESNZ, stakeholders within IFC responsible for the implementation, delivery and management of MAGC components, and stakeholders with DESNZ responsible for MAGC programme management. DESNZ and IFC have provided contact details for the interview participants, who were contacted by Ipsos to take part in interviews.

IFC Country Offices & Country Level Stakeholders: Stakeholders in IFC country offices and country level stakeholders were also purposively sampled so as to involve those holding key factual information about the design, delivery, and results of the programme, as well as perspectives or viewpoints about its effectiveness and efficiency. IFC helped Ipsos to identify stakeholders from within T2 countries with relevant knowledge of the MAGC programme for interview.

In Country Stakeholders: External stakeholders were largely selected to participate in the research to provide important perspectives / viewpoints on the relevance of MAGC and its contribution to observed change, other contributing factors to observed change and possible barriers to MAGC achieving its intended objectives. These stakeholders were sampled purposively, but – when hard to reach –convenience or snowball sampling[[64]](#footnote-65) were considered as necessary. Any potential bias arising from this sample being non-comprehensive and/or non-representative is highlighted clearly in the limitations section in the process evaluation report (Section 2.3).

For the process evaluation, a total of 11 interviews with the MAGC and other ICF DESNZ programme teams (T0 level) have been sampled along with 18 country-level programme team and wider stakeholder interviews (T2 level) to assess the programme alignment with countries' priorities[[65]](#footnote-66). Stakeholders for these interviews included IFC country and regional offices, UK embassies, policymakers, green building experts, and external stakeholders involved in other similar programmes in each of the T2 countries. The target sample of these interviews amongst these countries can be found in the table below, which was proposed by Ipsos in the evaluation scoping report and confirmed in consultation with DESNZ and IFC.

|  |  |  |  |
| --- | --- | --- | --- |
| Summary of process evaluation interviews carried out: Fieldwork dates: 4 December 2023 – 24 January 2024 | | | |
|  | | Target | Achieved |
| T0 | With DESNZ (MAGC) | 4 | 4 |
| With DESNZ (other programmes) | 2 |
| With IFC HQ | 4 | 5 |
|  | *Total T0 (Programme management level)* | *8* | *11* |
| T2 | Wider stakeholder from other programmes | 3 | 2 |
| With IFC country/regional office | 5 | 6 |
| With UK Embassy/High Commission | 4 | 6 |
| With Green building/control/association/expert | 4 | 3 |
| With policymakers | 4 | 1 |
| *Total T2 (MAGC countries with substantial delivery to date)* | | *20* | *18* |
| Total interviews T0-T2 | | 28 | 29 |

Target and achieved sample for MAGC countries with substantial delivery to date (T2)

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | IFC country/ regional office | | UK Embassy/ High Commission | | Green Building Council/ Association/ Expert | | Policymakers | | Wider stakeholders involved in similar programmes | | Total | |
|  | Target | Achieved | Target | Achieved | Target | Achieved | Target | Achieved | Target | Achieved | Target | Achieved |
| Colombia |  |  | 1 | 1 |  |  |  |  |  |  | 1 | 1 |
| Egypt | 1 | 1 |  |  | 1 | 0 |  |  |  |  | 2 | 1 |
| Ghana | 1 | 1 |  |  |  |  |  |  |  |  | 1 | 1 |
| India |  |  | 0 | 1 | 1 | 1 |  |  | 1 | 0 | 2 | 2 |
| Indonesia | 0 | 1 | 1 | 1 |  |  | 1 | 0 |  |  | 2 | 2 |
| Kenya |  |  |  |  | 1 | 1 | 1 | 0 |  |  | 2 | 1 |
| Mexico | 1 | 1 |  |  |  |  | 1 | 1 |  |  | 2 | 2 |
| Peru |  |  | 1 | 1 | 1 | 1 |  |  | 1 | 1 | 3 | 3 |
| Philippines | 1 | 1 |  |  |  |  |  |  |  |  | 1 | 1 |
| South Africa |  |  | 1 | 2 |  |  | 1 | 0 | 1 | 1 | 3 | 3 |
| Vietnam | 1 | 1 |  |  |  |  |  |  |  |  | 1 | 1 |
| Total | 5 | 6 | 4 | 6 | 4 | 3 | 4 | 1 | 3 | 2 | 20 | 18 |

### Analysis and triangulation

The robustness of the findings of an evaluation are dependent on the extent to which the information sources, both primary and secondary, are free from influence and bias from individuals who have a vested interest in the evaluation’s outcome. Given that consultations with members of the programme team for DESNZ and IFC were a central data source for the evaluation – and are likely to have potential for bias due to their direct involvement – it was important to triangulate data sources to verify findings and mitigate bias. The analysis drew on multiple data sources such as document review, stakeholder interviews, and desk research. This allowed comparing different perspectives and identifying areas of convergence and divergence.

Analytical approach

For the analysis stage of this evaluation phase, analytical frameworks to facilitate interpretation and triangulation of data have been put in place, ultimately ensuring data translates to clear findings and recommendations.

1) An **analytical framework for** qualitative interviews: In the form of an analysis grid, the analytical framework was developed following the components of the evaluation matrix and adapted based on the discussion guide questions. The code frame was piloted with a first set of interview transcripts and adjusted to add any additional relevant columns before coding the remaining interviews.

|  |  |
| --- | --- |
| Interview information | Interview ID |
| Interviewer |
| Link to notes or transcript |
| Stakeholder type |
| Brief role description, and any role changes |
| Programme delivery | Description of delivery of Component 1 - Investments |
| Description of delivery of Component 2 - Capacity building |
| Description of delivery of Component 3 - EDGE |
| Description of delivery of Component 4 - Research |
| Cross-cutting delivery processes information |
| EQ1: To what extent, and in what ways, has the management approach agreed with the Delivery Partner been appropriate and effective for MAGC? | How the management approach for MAGC was agreed between DESNZ and IFC, and who was involved |
| How the management approach works at country level, and any adaptations since the start |
| Extent of governance and management approach achieving its purpose and contributing to programme objectives |
| The extent to which the management approach is reviewed regularly and is flexible and adaptable to change |
| Extent of alignment of identified objectives against what was delivered (timeline objectives, collaboration among teams) |
| Where things seem to be working well and processes particularly effective (delegation of funds, reporting, decision-making, governance structure, delivery) |
| Areas that could be improved, worked less well or could be done differently (delegation of funds, reporting, decision-making, governance structure, delivery) |
| Alternative approaches (How delivery models of other programmes and interventions compare with MAGC) |
| Other programmes: description of governance approach |
| Other programmes: country/investment selection process |
| Other programmes: how the programme is delivered in-country and reporting requirements |
| Other programme: GEDSI considerations and embedding |
| Other programmes: key successes and challenges |
| EQ2: To what extent are the results mechanisms illustrated in the Theory of Change of MAGC accurate? | Involvement in the planning and design of the MAGC programme and its Theory of Change, and decision-making process of this |
| Programme context: current state of green construction landscape in country |
| To what extent is there a need for a programme supporting green construction in country (any examples of challenges) |
| Programme Theory of Change: what are the key barriers the programme is seeking to address |
| Programme Theory of Change: how the four components interact and examples of interdependencies |
| Programme Theory of Change: key assumptions for the realisation of MAGC objectives |
| Programme Theory of Change: how can MAGC components contribute to address challenges |
| Perception of programme mechanisms in the Theory of Change or Logframe (whether well represented, anything missing) |
| GEDSI Learning: any stages and/or components of the programme that are more relevant to GEDSI considerations (and where GEDSI could be embedded in the future) |
| EQ3: How effective are the choice of countries/projects in fulfilling MAGC’s objectives and supporting the UK’s International Climate Finance strategy? | How does the MAGC programme align with the country’s policies and strategies for green construction |
| Country selection process: rationale behind the selection and prioritisation of countries and who is responsible for this |
| Investment and programme activities selection process: how they are selected and who is responsible for this |
| Investment and programme activities set up and launch: how it works and stakeholders involved |
| Balance between breadth of the programme (presence in multiple countries) with the depth of support needed in specific countries |
| How the programme prioritises between the most transformational climate and social development projects vs the most favourable market conditions and best return-on-investment |
| Country and investment selection: any concerns or challenges around the selection |
| Relevance of countries and projects selected: to the in-country needs, to UK priorities, to tackle barriers MAGC aims to address |
| Coherence of the resulting portfolio: whether countries and projects are complementary |
| Any lessons learned from delivery so far that will influence future processes |
| Other programmes: main barriers in-country and need for green construction programmes |
| Other programmes: use of EDGE or other green construction standards |
| Other | Anything else or further thoughts |
| Participant happy to be recontacted |

2) A Political Economy Analysis framework: to capture the key contextual information about each MAGC eligible country (T1) and add relevant information from the business case (for example, ICF priority countries and needs assessment for technical assistance).

|  |  |  |
| --- | --- | --- |
| Countries | (Country names) | |
| Level of analysis in the evaluation | (T1 – MAGC eligible countries, T2 – countries with substantial delivery to date, T3 – deep dives) | |
| Business case assessment info | International Climate Finance (UK gov) priority country Y/N | Source: MAGC Business case |
| Need for technical assistance finance (Strong/Medium/Low) | Source: MAGC Business case |
| Political context | Country's political system and high-level decision-making structure, and brief narrative on important details including date of last/ upcoming changes. Overall political stability of the country, using governance indicators and any necessary accompanying narrative | Source: World Bank database of political institutions, World Bank’s Worldwide Governance Indicators (WGI) or other publicly available information |
| Economic context | Economic development status: Characterises overall development status of the country | Source: World Bank Country and Lending Groups; World Bank Open Data |
| In-country financial sector: Characteristics and performance of a country's finance and investment sector overall | Source: IMF Financial Access Survey, World Bank Country Overviews, WB Ease of Doing Business score (0=lowest performance to 100=best performance), or other publicly available information |
| Climate investment opportunity: Summary of climate investment potential | Source: IFC (2016) Climate Investment Opportunities in Emerging Markets: An IFC Analysis. IFC, Washington; ClimateScope 2023 |
| Climate change context: Climate priorities, policies and institutions | Summary of current climate priorities and pledges, Current level of progress on action for addressing climate change, and key bodies enforcing climate change policies and priorities overall | Source: UNFCCC NDCs, Climate Action Tracker, other publicly available information |
| Green construction context | Summary of overall status of the green building market in the country, and type of energy efficiency standards used in country (EDGE, LEED, others) | Source: EDGEbuildings, WorldGBC, other publicly available information |

Primary data for this phase of the evaluation was collected mainly through qualitative data collection (interviews).

Data analysis

*Data management stage:* Interview notes were written up or transcribed. The raw data were coded, sorted and synthesised the raw data into the thematic framework presented above in Excel. The framework was used to code interview responses by evaluation question. Bespoke Excel grids allow to both summarise the qualitative findings as well as copying across illustrative quotes from the transcripts/ immediate interviewer notes.

*Analysis session:* The analytical process began with a 1.5-hour internal analytical meeting between interviewers to discuss overall findings, salient points and identify trends or commonalities. During the analysis session, the quality, breadth, and reliability of evidence emerging across different data sources was discussed. Early analysis led to significant efforts to improve the quality of evidence through further data analysis and repeated efforts to engage stakeholders in interviews.

*Thematic analysis:* The team analysed the outputs from the Theory of Change workshop and from the stakeholder interviews, identifying key themes, patterns, and areas of consensus or disagreement. Qualitative data was analysed using thematic analysis, identifying recurring themes and patterns across different data sources. This allowed for identifying potential biases and interpreting findings within the broader context of the programme.

*Comparative analysis:* The findings from the review of similar programmes were compared and contrasted with MAGC to identify its added value and unique features.

*Process map analysis:* The updated process map was analysed to identify strengths, weaknesses, and potential bottlenecks in the decision-making processes for country and project selection.

*Political economy analysis:* The PEA data was analysed to identify trends, patterns, and key factors influencing the political and economic context, climate change, and green buildings policy and institutional context across MAGC countries.

Triangulation and synthesis

The analytical approach was designed to allow for sufficient and effective triangulation of data sources. This involved a detailed examination of findings, themes and patterns across multiple data sources to answer the key evaluation questions.

Findings from primary and secondary evidence have been triangulated to form interpretive explanations. This involved triangulating and synthesising data collected at each level (T0 – T2 for this phase) from multiple sources including stakeholder interviews, the Theory of Change workshop, programme documentation. Once the different data collection activities have been completed, all evidence sources have been brought together and mapped against the evaluation framework.

The triangulation of data from across different sources and methods provides greater confidence in accepting findings and allow the evaluation team to continually assess whether there is evidence to answer the evaluation questions or where are the gaps in evidence that need to be filled through further research.

### Team

The Evaluation and Learning team consists of evaluators, researchers and climate finance specialists from Ipsos alongside with external experts. The project is managed centrally by a Project Director, Deputy Project Director and Project Manager at Ipsos UK. They will be the primary contact points for DESNZ, the IFC, the internal team and partners (including Ipsos offices in MAGC countries). To further enhance the efficiency of delivery, the team is divided into sub-teams for cross-cutting and country specific analysis: The Project Management Team (Ipsos UK), the Design & analysis team (Ipsos UK), the Climate Finance Expert Panel (four external experts), and the Case Study/Country research team (five teams in Ipsos country offices for each case study, and five independent green building thematic experts).

The analysis and reporting of the process evaluation was primarily delivered by Ipsos’ UK team. This includes the design and delivery of the qualitative interviews with stakeholders, design of the updated process map, the Theory of Change review, and delivery of the political economy analysis. Ipsos’ in-country teams (within the case study countries of Kenya, Indonesia, South Africa, Columbia and India) were not involved in the delivery of the process evaluation.

The Ipsos team was supported by a panel of climate finance experts, who provided quality assurance of the research outputs. The expert panel also provided specific input into the political economy analysis.

Throughout delivery of the process evaluation, the Ipsos team (and expert panel) were able to work freely and without interference from DESNZ, IFC or any other relevant stakeholders. The evaluation team was able to maintain full independence throughout design and delivery of the process evaluation.

#### Conflicts of interest

There were no conflicts of interest identified within the Ipsos team or the expert panel.

### Ethics and safeguards

#### Ipsos Ethical and legal standards

At the heart of the Ipsos approach are the [GSR ethical principles](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/515296/ethics_guidance_tcm6-5782.pdf); it also draws on other relevant ethical codes such as the [ESRC Research Ethics Framework](https://esrc.ukri.org/files/funding/guidance-for-applicants/esrc-framework-for-research-ethics-2015/), the [SRA ethical guidelines](https://the-sra.org.uk/common/Uploaded%20files/ethical%20guidelines%202003.pdf) and the [MRS Code of Conduct](https://www.mrs.org.uk/pdf/MRS-Code-of-Conduct-2019.pdf), with which it is fully compliant. Ipsos respects local research norms and local cultures wherever research is conducted through inclusion of locally based research teams in primary data collection.

All joining staff of Ipsos are made aware of the guidelines and sign a declaration agreeing to carry out their work in accordance with these. All staff are also required to undertake an updated training when the MRS Code is updated. In order to ensure all team members follow the delivery plan in a consistent way, different activities will be delivered, including pre-fieldwork briefings, additional team meetings when needed, and de-briefing sessions.

Ipsos internal Ethics Group (consisting of staff from across the Public Affairs division, and independent of the evaluation team) and dedicated Business Excellence System (BES, i.e., compliance) team supports the project. The Ethics Group provides advice on research and recruitment materials, content for interviewer briefings, and introduction materials for surveys. In parallel, all new Ipsos projects also complete a series of steps required by the BES team as further detailed below.

The Ethics Group and BES also develop Ipsos’s policies on safeguarding, disclosure and researcher safety. Training on ethics in research practice is mandatory and regularly delivered to staff of all levels.

#### Confidentiality

For a study such as this, the handling, storage and destruction of confidential and personal information is critical. It is essential that appropriate data security systems and confidentiality mechanisms are in place to minimise the risk to the study. During the project inception phase, Ipsos have set up a secure folder for storing data containing personal or confidential information.

BES is led by Ipsos’s Data Protection Officer, Compliance Department and Business Excellence team, with BES representatives across all parts of the business working to ensure that Ipsos’s existing accreditations are continually secured and compliance with the relevant legal and data protection regulations is ensured. Monthly spot checks and a rolling programme of internal audits enable the business to measure compliance; these are reported to the UK Management Board. These measures enabling Ipsos to adapt training and communications to address any weaknesses and room for improvement. Ipsos’s external auditors also review the company’s adherence to the General Data Protection Regulation (GDPR) and other relevant legal requirements as part of their annual surveillance and certification.

To ensure staff understand their individual responsibilities under GDPR, a staff training, and communications programme is in place. This is layered, starting with a general introduction to the legislation before looking at the requirements of GDPR in practice, including the implications for projects, and attendance is compulsory.

In practical terms Ipsos’s approach is based on ‘Privacy by Design’, and the project team has embedded GDPR principles from the outset. Following a checklist, the project team did the following:

* Agreed the legal basis for processing with clients in advance.
* Created a data flow, determining whether the research has acceptable privacy outcomes or impacts and ensuring that strategies are adopted in order to reduce or mitigate any identified risks. These flag whether a Data Protection Impact Assessment (DPIA) is required, where processing is considered to result in a high risk to data subjects.
* Ensured that the information provided to participants is transparent and that a privacy information notice is available, particularly when collecting special categories of personal data. The privacy policy will be shared with interview participants ahead of the interview.

In addition, processes and policies are in place to ensure compliance with UK GDPR, the Market Research Society (MRS) Code of Conduct and Ipsos’s internal standards, such as:

* *Data Subjects Rights:* As Ipsos is in contact with a large number of individuals who participate in their market research studies, it is important that documented procedures are in place to cover data subjects’ rights under GDPR such as Data Subject Access Rights, the right to rectify, erase, to object to processing and to restrict processing; many of these were already covered in the DPA 1998 and the MRS Code of Conduct. These rights are outlined in the privacy notice shared with participants.
* *Management of suppliers:* Ipsos has a documented supplier approval process to meet Ipsos’s existing certifications, client contracts and legal requirements. This includes a comprehensive Third-Party Compliance and Information Security Risk Assessment to ensure that the suppliers’ work will meet both Ipsos and Ipsos’s clients’ quality, compliance and information security requirements. Upon successful completion of the risk assessment, suppliers are issued with a comprehensive contract which includes clauses around quality, data protection, information security, confidentiality and the right to audit. In the run up to 25th May 2019, all existing suppliers were sent a GDPR questionnaire and updated GDPR contractual clauses were put in place; contracts have since been updated with the relevant Data Protection legislation. Supplier management is reviewed annually by both Ipsos’s external and internal auditing teams to ensure compliance.
* *Personal Data breach management:* Ipsos has documented procedures in place which are managed by Ipsos’s central Compliance Department and UK Data Protection Officer

*Retention and destruction of personal data:* Ipsos’s existing processes ensure that client contractual requirements are met as well as GDPR legislation in terms of how information should be labelled, handled, stored, transferred and destroyed. Sample files are destroyed once there is no further justification to retain them. Before an interview took place as part of this phase of the evaluation, participants received a privacy notice outlining their rights to withdraw from the study as well as how and for how long their data will be kept by the evaluation team for research purposes only under this assignment.

#### Safeguarding

Ipsos’ key framework of control for safeguarding stems from the company-wide policies on the topic. Its purpose is to protect people, particularly staff, sub-contractors, and research participants, from any harm that may arise in the course of coming into contact with Ipsos. Ipsos’s policy takes into consideration other guidance notes such as the Anti-Bullying and Harassment Policy; The Green Book: The Ipsos Professional Code of Conduct; Grievance Policy; Complaints Handling Procedure; Whistleblowing approach; Data Protection Policy; and Risk Management Policy. Ipsos also holds a Safeguarding Policy which is applicable to all ODA-funded work. Staff are made aware of their responsibilities with regards to safeguarding, specifically around how to raise concerns, via their initial ethics training, interview training, fieldwork training and ad hoc refreshers run centrally.

The Ipsos Business Excellence and Compliance Team ensures adherence to all data safeguarding legal requirements. Ipsos has been awarded ISO 27001, with regular external/internal audits maintaining standards, and are fully committed to complying with all relevant legislation and standards. Ipsos also maintains a Data Protection Policy and Information Security Policy, provided to all staff members to ensure the protection of personal data obtained through research. In terms of external reporting, external stakeholders e.g., interviewees can report safeguarding concerns via the Project Director, with the contact details made available to the participant through an information sheet supplied as part of interviews.

All staff have a duty of care to be vigilant when presented with instances of potential safeguarding concern and to respond appropriately by reporting their concerns. Any internal safeguarding concerns should be reported to Human Resources. For instances identified as part of research, these should be reported to the PD who will notify the UK Disclosures Board, Ipsos’ overarching body for dealing with safeguarding concerns. If a disclosure is deemed necessary, they will discuss (in consultation with the PD) who would be the most appropriate person/body to disclose to (e.g., DESNZ or an external body).

In order to address potential safeguarding concerns at participant level (e.g., that emerge during qualitative interviews) Ipsos will prepare information sheets which include specific reference to means of reporting safeguarding concerns to Ipsos centrally via either the PD or the Chair of the Disclosure Board, whilst also giving the alternative options to raise concerns around data handling or general complaints. The option could also be given to report to DESNZ directly.

# Annex 3: Political economy analysis

This annex includes a summary of the framework used for a high-level review of the countries’ political and economic context, and context of climate and building policy. The purpose of the PEA is to provide a standardised approach to categorising information across MAGC countries in a concise way.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Country  (and level of analysis in the evaluation) | UK International Climate Finance priority country[[66]](#footnote-67) | Need for technical assistance[[67]](#footnote-68) | Political context  Democracy Index based on 60 indicators under five categories: electoral process and pluralism; functioning of government; political participation; political culture; and civil liberties.[[68]](#footnote-69) | Economic context  Economic development classification[[69]](#footnote-70) and ease of doing business[[70]](#footnote-71) | Climate Change  Climate action[[71]](#footnote-72) and climate investment opportunity[[72]](#footnote-73) | Green Construction  Building codes and mention of building sector in Nationally Determined Contributions (NDCs)[[73]](#footnote-74) |
| Argentina  (T1) |  | Strong | Economist Intelligence Unit (EIU) Democracy Index: Flawed Democracy | WBG classification: Upper-middle income | Climate action tracker overall rating: Critically insufficient | Building energy code voluntary for all buildings |
| Ease of doing business: 126 | Climatescope score: 2.01/5 Ranking: 31st | NDC mentions of buildings: Energy efficiency |
| Brazil  (T1) | Y | Strong | Economist Intelligence Unit (EIU) Democracy Index: Flawed democracy | WBG classification: Upper-middle income | Climate action tracker overall rating: Insufficient | Building energy code voluntary for all buildings |
| Ease of doing business: 124 | Climatescope score: 2.43/5 ranking: 5th | NDC mentions of buildings: No mention |
| Costa Rica  (T1) |  | Strong | Economist Intelligence Unit (EIU) Democracy Index: Full democracy | WBG classification: Upper-middle income | Climate action tracker overall rating: Almost sufficient | Building energy code: no known code |
| Ease of doing business: 74 | Climatescope score: 1.76/5 ranking: 60th | NDC mentions of buildings: Limited reference |
| Cote D'Ivoire  (T1) |  | Strong | Economist Intelligence Unit (EIU) Democracy Index: Hybrid Regime | WBG classification: Lower-middle income | Climate action tracker overall rating: N/A (not included) | Building energy code mandatory for all buildings |
| Ease of doing business: 110 | Climatescope score: 1.58/5 ranking: 78th | NDC mentions of buildings: Energy efficiency |
| Nigeria  (T1) | Y | Strong | Economist Intelligence Unit (EIU) Democracy Index: Hybrid regime | WBG classification: Lower-middle income | Climate action tracker overall rating: Almost sufficient | Building energy code mandatory for all buildings |
| Ease of doing business: 131 | Climatescope score: 1.98/5 ranking: 32nd | NDC mentions of buildings: Energy efficiency |
| Senegal  (T1) |  | N/A | Economist Intelligence Unit (EIU) Democracy Index: Hybrid Regime | WBG classification: Lower-middle income | Climate action tracker overall rating: N/A (not included) | Building energy code in development |
| Ease of doing business: 123 | Climatescope score: 1.76/5 ranking: 58th | NDC mentions of buildings: Limited reference |
| Tanzania  (T1) |  | N/A | Economist Intelligence Unit (EIU) Democracy Index: Hybrid regime | WBG classification: Lower-middle income | Climate action tracker overall rating: N/A | Building energy code in development |
| Ease of doing business: 141 | Climatescope score: 1.93/5 ranking: 37th | NDC mentions of buildings: no mention |
| Morocco  (T1) |  | Strong | Economist Intelligence Unit (EIU) Democracy Index: Hybrid regime | WBG classification: Lower-middle income | Climate action tracker overall rating: Almost sufficient | Building energy code mandatory for all buildings |
| Ease of doing business: 53 | Climatescope score: 2.03/5 ranking: 27th | NDC mentions of buildings: Energy efficiency |
| Bangladesh  (T1) |  | Strong | Economist Intelligence Unit (EIU) Democracy Index: Hybrid regime | WBG classification: Lower-middle income | Climate action tracker overall rating: Almost sufficient | Building energy code mandatory for all buildings |
| Ease of doing business: 168 | Climatescope score: 1.79/5 ranking: 54th | NDC mentions of buildings: Energy efficiency |
| Pakistan  (T1) |  | Strong | Economist Intelligence Unit (EIU) Democracy Index: Hybrid regime | WBG classification: Lower-middle income | Climate action tracker overall rating: N/A (not included) | Building energy code mandatory for some building types |
| Ease of doing business: 108 | Climatescope score: 1.86/5 ranking: 42nd | NDC mentions of buildings: Energy efficiency |
| China  (T1) | Y | Medium | Economist Intelligence Unit (EIU) Democracy Index: Authoritarian | WBG classification: Upper-middle income | Climate action tracker overall rating: Highly insufficient | Building energy code mandatory for all buildings |
| Ease of doing business: 32 | Climatescope score: 2.64/5 ranking: 2nd | NDC mentions of buildings: Energy efficiency |
| Myanmar (Burma)  (T1) |  | Strong | Economist Intelligence Unit (EIU) Democracy Index: Authoritarian | WBG classification: Lower-middle income | Climate action tracker overall rating: N/A (not included) | Building energy code mandatory for all buildings |
| Ease of doing business: 165 | Climatescope score: 1.63/5 ranking: 74th | NDC mentions of buildings: Extensive detail |
| Mongolia  (T1) |  | Strong | Economist Intelligence Unit (EIU) Democracy Index: Flawed democracy | WBG classification: Upper-middle income | Climate action tracker overall rating: N/A (not included) | Building energy code in development |
| Ease of doing business: 81 | Climatescope score: 1.84/5 ranking: 46th | NDC mentions of buildings: Energy efficiency |
| Egypt  (T2) |  | Strong | Economist Intelligence Unit (EIU) Democracy Index: Authoritarian | WBG classification: Lower-middle income | Climate action tracker overall rating: Highly insufficient | Building energy code mandatory for all buildings |
| Ease of doing business: 114 | Climatescope score: 1.88/5 ranking: 40th | NDC mentions of buildings: Extensive detail |
| Peru  (T2) | Y | Low | Economist Intelligence Unit (EIU) Democracy Index: Hybrid regime | WBG classification: Upper-middle income | Climate action tracker overall rating: Insufficient | Building energy code mandatory for all buildings |
| Ease of doing business: 76 | Climatescope score: 2.13/5 ranking: 14th | NDC mentions of buildings: No mention |
| Mexico  (T2) | Y | Medium | Economist Intelligence Unit (EIU) Democracy Index: Hybrid regime | WBG classification: Upper-middle income | Climate action tracker overall rating: Critically insufficient | Building energy code voluntary for all buildings |
| Ease of doing business: 60 | Climatescope score: 1.64/5 ranking: 72nd | NDC mentions of buildings: Energy efficiency |
| Ghana  (T2) |  | Low | Economist Intelligence Unit (EIU) Democracy Index: Flawed democracy | WBG classification: Upper-middle income | Climate action tracker overall rating: N/A (not included) | Building energy code mandatory for all buildings |
| Ease of doing business: 118 | Climatescope score: 1.80/5 ranking: 51st | NDC mentions of buildings: Energy efficiency |
| Indonesia  (T2) | Y | Low | Economist Intelligence Unit (EIU) Democracy Index: Flawed Democracy | WBG classification: Lower-middle income | Climate action tracker overall rating: Critically insufficient | Building energy code mandatory for all buildings |
| Ease of doing business: 73 | Climatescope score: 1.67/5 ranking: 68th | NDC mentions of buildings: Limited reference |
| Philippines  (T2) |  | Strong | Economist Intelligence Unit (EIU) Democracy Index: Flawed Democracy | WBG classification: Lower-middle income | Climate action tracker overall rating: Insufficient | Building energy code mandatory for all buildings |
| Ease of doing business: 95 | Climatescope score: 2.49/5 ranking: 4th | NDC mentions of buildings: No mention |
| Colombia  (T3) | Y | Low | Economist Intelligence Unit (EIU) Democracy Index: Flawed Democracy | WBG classification: Upper-middle income | Climate action tracker overall rating: Insufficient | Building energy code mandatory for all buildings |
| Ease of doing business: 67 | Climatescope score: 2.35/5 ranking: 8th | NDC mentions of buildings: Energy efficiency |
| Kenya  (T3) | Y | Strong | Economist Intelligence Unit (EIU) Democracy Index: Hybrid Regime | WBG classification: Lower-middle income | Climate action tracker overall rating: Almost sufficient | Building energy code voluntary for all buildings |
| Ease of doing business: 56 | Climatescope score: 2.06/5 ranking: 19th | NDC mentions of buildings: Adaptation |
| South Africa  (T3) | Y | Low | Economist Intelligence Unit (EIU) Democracy Index: Flawed Democracy | WBG classification: Upper-middle income | Climate action tracker overall rating: Almost sufficient | Building energy code mandatory for all buildings |
| Ease of doing business: 84 | Climatescope score: 2.11/5 ranking: 16th | NDC mentions of buildings: Limited reference |
| India  (T3) | Y | Medium | Economist Intelligence Unit (EIU) Democracy Index: Flawed Democracy | WBG classification: Lower-middle income | Climate action tracker overall rating: Highly insufficient | Building energy code mandatory for some building types |
| Ease of doing business: 62 | Climatescope score: 2.68/5 ranking: 1st | NDC mentions of buildings: Energy efficiency |
| Vietnam  (T3) | Y | Low | Economist Intelligence Unit (EIU) Democracy Index: Authoritarian | WBG classification: Lower-middle income | Climate action tracker overall rating: Critically insufficient | Building energy code mandatory for all buildings |
| Ease of doing business: 70 | Climatescope score: 2.21/5 ranking: 11th | NDC mentions of buildings: Energy efficiency |

Definitions

Democracy index  
Definition from source: The Democracy Index is based on 60 indicators, grouped into five categories: electoral process and pluralism; functioning of government; political participation; political culture; and civil liberties.  
Full democracies: nations where civil liberties and fundamental political freedoms are not only respected but also reinforced by a political culture conducive to the thriving of democratic principles. These nations have a valid system of governmental checks and balances, an independent judiciary whose decisions are enforced, governments that function adequately, and diverse and independent media. These nations have only limited problems in democratic functioning.  
Flawed democracies: nations where elections are fair and free and basic civil liberties are honoured but may have issues (e.g. media freedom infringement and minor suppression of political opposition and critics). These nations can have significant faults in other democratic aspects, including underdeveloped political culture, low levels of participation in politics, and issues in the functioning of governance.  
Hybrid regimes: nations with regular electoral frauds, preventing them from being fair and free democracies. These nations commonly have governments that apply pressure on political opposition, non-independent judiciaries, widespread corruption, harassment and pressure placed on the media, anaemic rule of law, and more pronounced faults than flawed democracies in the realms of underdeveloped political culture, low levels of participation in politics, and issues in the functioning of governance.  
Authoritarian regimes: nations where political pluralism is non-existent or severely limited. These nations are often absolute monarchies or dictatorships, may have some conventional institutions of democracy but with meagre significance, infringements and abuses of civil liberties are commonplace, elections (if they take place) are not fair or free (including sham elections), the media is often state-owned or controlled by groups associated with the ruling regime, the judiciary is not independent, and censorship and suppression of governmental criticism are commonplace.

Ipsos colour coding

|  |
| --- |
| Economist Intelligence Unit (EIU) Democracy Index: Full Democracy |
| Economist Intelligence Unit (EIU) Democracy Index: Flawed Democracy |
| Economist Intelligence Unit (EIU) Democracy Index: Hybrid Regime |
| Economist Intelligence Unit (EIU) Democracy Index: Authoritarian |

Economic development classification  
Definition from source: Economies are currently divided into four income groupings: low, lower-middle, upper-middle, and high. Income is measured using gross national income (GNI) per capita, in U.S. dollars, converted from local currency using the World Bank Atlas method. Estimates of GNI are obtained from economists in World Bank country units; and the size of the population is estimated by World Bank demographers from a variety of sources, including the UN’s biennial World Population Prospects.

Ipsos colour coding

|  |
| --- |
| WBG classification: Upper-middle income |
| WBG classification: Lower-middle income |

Ease of doing business  
Definition from source: An economy’s ease of doing business score is reflected on a scale from 0 to 100, where 0 represents the lowest and 100 represents the best performance. The ease of doing business score measures an economy’s performance with respect to a measure of regulatory best practice across the entire sample of 41 indicators for 10 Doing Business topics (starting a business; dealing with construction permits; getting electricity; registering property; getting credit; protecting minority investors; paying taxes; trading across borders; enforcing contracts; resolving insolvency).

Ipsos colour coding

|  |
| --- |
| Ease of doing business: 1-63 |
| Ease of doing business: 64-126 |
| Ease of doing business: 127 - 190 |

Climate investment opportunity  
Definition from source: The methodology for the 2023 edition of Climatescope includes 222 indicators and sub-indicators split among two sectors and into three key topic areas that encompass each market’s previous accomplishments, current investment environment, and future opportunities for clean energy growth. The two sectors – power and transport – are scored across three main parameters: Fundamentals. These encompass a market’s key policies, market structures and barriers to the deployment of investment. This parameter includes the fundamental structures that can help renewable power and clean transport grow. Opportunities. These examine a market’s potential to grow its supply of renewable power and clean transport. Markets characterized by specific price dynamics and other favourable conditions offer the best opportunities for clean growth. Experience. This takes into account a market’s achievements to date across the three sectors. Markets with greater experience deploying renewable power capacity typically offer lower risks, lower technology costs and lower costs of capital for developers. This parameter includes historical deployment of clean technologies surveyed and growth rates of investment into the sectors.

Ipsos colour coding

|  |
| --- |
| Climatescope ranking: 1-36 |
| Climatescope ranking: 37-72 |
| Climatescope ranking: 73-110 |

Climate action tracker  
The “1.5°C Paris Agreement compatible” rating indicates that a country’s climate policies and commitments are consistent with the Paris Agreement’s 1.5°C temperature limit. The “Almost sufficient” rating indicates that a country’s climate policies and commitments are not yet consistent with the Paris Agreement’s 1.5°C temperature limit but could be with moderate improvements. The “Insufficient” rating indicates that a country’s climate policies and commitments need substantial improvements to be consistent with the Paris Agreement’s 1.5°C temperature limit. The “Highly insufficient” rating indicates that a country’s climate policies and commitments are not consistent with the Paris Agreement’s 1.5°C temperature limit. For many countries in this category, policies and commitments lead to rising, rather than falling, emissions. The “Critically Insufficient” rating indicates that a country’s climate policies and commitments reflect minimal to no action and are not at all consistent with the Paris Agreement.

Ipsos colour coding

|  |
| --- |
| Climate action tracker overall rating: 1.5 Paris Agreement compatible |
| Climate action tracker overall rating: Almost sufficient |
| Climate action tracker overall rating: Insufficient |
| Climate action tracker overall rating: Highly insufficient |
| Climate action tracker overall rating: Critically insufficient |

Building code  
Adapted from IEA (2019c), Energy efficiency policies: Buildings, [www.iea.org/topics/energyefficiency/policies/buildings](http://www.iea.org/topics/energyefficiency/policies/buildings).

Ipsos colour coding

|  |
| --- |
| Building energy code mandatory for all buildings |
| Building energy code mandatory for some building types |
| Building energy code voluntary for all buildings |
| Building energy code in development |
| Building energy code: no known code |

NDC mentions of buildings  
Classification created using text mining techniques to highlight mentions of buildings within each NDC. Each NDC was converted into plan text format. A key word in context search was applied to each NDC for ‘buildings’. False positives such as ‘capacity building’ were removed and the remaining matches coded using the categories shown. ‘Extensive detail’ includes mentions of energy efficiency and adaptation.

Ipsos colour coding

|  |
| --- |
| NDC mentions of buildings: Adaptation |
| NDC mentions of buildings: Energy efficiency |
| NDC mentions of buildings: Extensive detail |
| NDC mentions of buildings: Limited reference |
| NDC mentions of buildings: No mention |

# Annex 4: Use and influence plan

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| About the user | | | How to engage them | | | | | |
| Stakeholder groups | Primary learning need from the evaluation | Considerations for information use (barriers/ enablers) | How does information need to be framed? (type, format) | Communication methods | Frequency | Timings | Format | Responsibilities |
| Actively engage | | | | | | | | |
| Evaluation and programme management (DESNZ MAGC team and IFC MAGC team) | Lessons learned from programme implementation during delivery | Timely, clear outputs which are able to feed into annual reviews/ reporting | Technical information framed with methodological rigor, clear recommendations | - The process evaluation report (including executive summary) - The presentation of process evaluation findings delivered to the programme team | Following completion of the process evaluation in the interim evaluation phase. | Q2 2024 (process) | - Report document and slide deck with presentation - Workshop: Online | Ipsos: - Creating and sharing the process evaluation report and additional materials as needed. Ipsos to circulate materials via email with core DESNZ and IFC MAGC teams. - Creating and delivering the presentation. DESNZ:  - Communicating needs for additional materials as needed |
| Governance and leadership (other relevant teams at DESNZ and IFC) | Lessons learned from the programme to inform strategy | Timely, clear outputs which are able to feed into annual reviews/reporting | Concise summaries and clear recommendations | - The process evaluation report (including executive summary and key findings). | Following completion of the process evaluation in the interim evaluation phase. | Q2 2024 (process) | - Report document and slide deck with presentation | Ipsos: - Creating and sharing the process evaluation report and additional materials as needed. Ipsos to circulate materials via email with core DESNZ and IFC MAGC teams.  DESNZ:  - Communicating needs for additional materials as needed |
| Management, governance, leadership of other programmes (at DESNZ or other Government departments) | Lessons learned from the programme to inform delivery of similar programmes | Timely, clear outputs which are able to feed into business cases/strategy | Concise summaries and clear recommendations | - The process evaluation report (including executive summary and key findings) | Following completion of the process evaluation in the interim evaluation phase. | Q2 2024 (process) | - Report document and slide deck with presentation - Workshop: Online | Ipsos: - Creating and sharing the process evaluation report and additional materials as needed. Ipsos to circulate materials via email with core DESNZ and IFC MAGC teams. - Creating and delivering the presentation. DESNZ:  - Communicating needs for additional materials as needed |
| Keep informed | | | | | | | | |
| In-country MAGC stakeholders | Lessons learned from the programme and relevant in-country insights | Accessible/digestible format and sufficient tailoring to meet diverse angles/interests of stakeholder groups | Digestible, shareable content – both informal and formal sharing - Visual summaries for accessibility/ease of absorption, underpinned by robust/in-depth technical analyses which are contextualised | - Social media posts (e.g., LinkedIn) - Topical knowledge sharing presentation with Q&A sessions (delivered online) | - Following completion of the Process evaluation | Q2 2024 (process) | Online | Ipsos scoping type of stakeholders to share learnings with and to organise webinar |
| Wider evaluation community | Lessons learned on undertaking the evaluation of the MAGC programme | Relevant information on methodology available during the evaluation, findings at the end of the evaluation phases | - Concise summaries of technical information - Visual summaries for accessibility/ease of absorption, underpinned by robust/in-depth technical analyses which are contextualised | - Social media posts (e.g., LinkedIn)  - External events and conferences (such as through the UK Evaluation Society annual conference) | - Annually (Conference participation) | Q2 2024 (process) | Online, hybrid or in-person | Ipsos and DESNZ identifying opportunities - Ipsos and DESNZ preparing and sharing materials as needed |
| Wider green construction stakeholders | Lessons learned on what works in delivering green construction interventions | Lack of understanding/familiarity with the evaluation and its scope and objectives | Concise summaries of technical information - Visual summaries for accessibility/ease of absorption, underpinned by robust/in-depth technical analyses which are contextualised | - Social media posts (e.g., LinkedIn)  - External events and conferences (Specific green construction events) | - Annually (Conference participation) | Q2 2024 (process) | Online, hybrid or in-person | Ipsos scoping type of stakeholders to share learnings with and opportunities of existing conferences and platforms - Ipsos and DESNZ preparing and sharing materials as needed |

# Annex 5: Bibliography and list of consultees

### Bibliography

Davies, R. (2013). Planning Evaluability Assessments: A Synthesis of the Literature with Recommendations. Report of a Study Commissioned by the Department for International Development. Available at: <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248656/wp40-planning-eval-assessments.pdf> [Accessed on 01/03/2024]

Global Construction Perspectives and Oxford Economics (2015). Global Construction 2030: A global forecast for the construction industry to 2030. London UK

HM Government (2023). Together for People and Planet: UK International Climate Finance Strategy. Available at: <https://assets.publishing.service.gov.uk/media/6482f5aa5f7bb7000c7fa775/tfpp-uk-international-climate-finance-strategy-2023.pdf> [Accessed on 01/03/2024]

IEA (2017). Energy Technology Perspectives. Paris, France.

International Monetary Fund, Western Hemisphere Dept (2023). Panama’s Growth Story. Available at: <https://www.elibrary.imf.org/view/journals/002/2023/129/article-A002-en.xml?ArticleTabs=abstract> [Accessed on 01/03/2024]

Kharas, H. (2017). The unprecedented expansion of the global middle class. An update. Brookings Institution, Washington.

NDC partnership (2020). Update of the Nationally Determined Contribution of Colombia (NDC). Available at: <https://ndcpartnership.org/country/col#:~:text=Colombia%20submitted%20its%20updated%20NDC,Long%2DTerm%20Strategy%20in%202021> [Accessed on 01/03/2024]

UK Cabinet Office (2023). Integrated Review Refresh 2023: Responding to a more contested and volatile world. Available at: <https://www.gov.uk/government/publications/integrated-review-refresh-2023-responding-to-a-more-contested-and-volatile-world> [Accessed on 01/03/2024]

UK Department for Energy Security and Net Zero (2023). Powering up Britain. Available at: <https://www.gov.uk/government/publications/powering-up-britain> [Accessed on 01/03/2024]

UK Department for Energy Security and Net Zero (2023). Powering up Britain: The Net Zero Growth Plan. Available at: <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1147457/powering-up-britain-net-zero-growth-plan.pdf> [Accessed on 01/03/2024]

UK Department for Energy Security and Net Zero, HM Treasury, UK Department for Environment, Food, & Rural Affairs (2023). Green Finance Strategy. Available at: <https://www.gov.uk/government/publications/green-finance-strategy> [Accessed on 01/03/2024]

UK Department for Energy Security and Net Zero, UK Department for Environment, Food & Rural Affairs, UK Foreign, Commonwealth & Development Office (2023). International Climate Finance. Available at: <https://www.gov.uk/guidance/international-climate-finance> [Accessed on 01/03/2024]

UK Department for Energy Security and Net Zero, UK Department for Environment, Food & Rural Affairs (2023). 2030 Strategic framework for international climate and nature action. Available at: https://www.gov.uk/government/publications/2030-strategic-framework-for-international-climate-and-nature-action [Accessed on 01/03/2024]

UK Department for Energy Security and Net Zero (2019). MAGC Annual Review 2018-19. Available at: <https://devtracker.fcdo.gov.uk/projects/GB-GOV-13-ICF-0032-MAGC/documents> [Accessed on 01/03/2024]

UK Department for Energy Security and Net Zero (2020). MAGC Annual Review 2019-20. Available at: <https://devtracker.fcdo.gov.uk/projects/GB-GOV-13-ICF-0032-MAGC/documents> [Accessed on 01/03/2024]

UK Department for Energy Security and Net Zero (2021). MAGC Annual Review 2020-21. Available at: <https://devtracker.fcdo.gov.uk/projects/GB-GOV-13-ICF-0032-MAGC/documents> [Accessed on 01/03/2024]

UK Department for Energy Security and Net Zero (2022). MAGC Annual Review 2021-22. Available at: <https://devtracker.fcdo.gov.uk/projects/GB-GOV-13-ICF-0032-MAGC/documents> [Accessed on 01/03/2024]

UK Department for Energy Security and Net Zero (2018). MAGC Business Case. Available at: <https://devtracker.fcdo.gov.uk/projects/GB-GOV-13-ICF-0032-MAGC/documents> [Accessed on 01/03/2024]

UK Foreign, Commonwealth & Development Office, The Rt Hon Elizabeth Truss MP (2022). UK government's strategy for international development. Available at: <https://www.gov.uk/government/publications/uk-governments-strategy-for-international-development> [Accessed on 01/03/2024]

UK Foreign, Commonwealth & Development Office, The Rt Hon Lord Cameron, The Rt Hon Rishi Sunak MP, and The Rt Hon Andrew Mitchell MP (2023). International development in a contested world: ending extreme poverty and tackling climate change. Available at: <https://www.gov.uk/government/publications/international-development-in-a-contested-world-ending-extreme-poverty-and-tackling-climate-change> [Accessed on 01/03/2024]

United Nations (2015). Paris Agreement. Available at: <https://unfccc.int/process-and-meetings/the-paris-agreement> [Accessed on 01/03/2024]

United Nations (2015). Transforming our world: the 2030 Agenda for Sustainable Development: The 17 Goals. Available at: <https://sdgs.un.org/goals> [Accessed on 01/03/2024]

United Nations Department of Economic and Social Affairs (2014). 2014 revision to the World Urbanization Prospects. Available at: <https://www.un.org/en/development/desa/publications/2014-revision-world-urbanization-prospects.html> [Accessed on 01/03/2024]

Vivid Economics (2020). BEIS ICF Mitigation Investment Options: Synthesis Report. Available at: <https://www.pbl.nl/sites/default/files/downloads/pbl-2020-beis-icf-mitigation-investment-options-synthesis-report_4521.pdf> [Accessed on 01/03/2024]

World Bank (2022). GDP per capita (current US$) Available at: <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD> [Accessed on 01/03/2024]

World Bank (2023). The World by Income and Region. Available at: <https://datatopics.worldbank.org/world-development-indicators/the-world-by-income-and-region.html> [Accessed on 01/03/2024]

### Consultees in the process evaluation:

* UK Government - Department for Energy Security and Net Zero (DESNZ) (MAGC programme team)
* International Finance Corporation (IFC) headquarters (MAGC programme team)
* IFC country offices in Egypt, Ghana, Mexico, the Philippines, Vietnam, Indonesia
* Policymakers (British Embassy/High commission) in Colombia, Indonesia, Peru, India, South Africa
* Green building experts in India, Peru, Kenya, South Africa, Indonesia

To maintain confidentiality in research, the names of the organizations that participated in the interviews will not be disclosed, except for the UK Government and MAGC’s delivery partner

# Annex 6: Process evaluation interviews topic guide

## Programme level interviews (T0) Overall topic guide

* Thank you for agreeing to take part in this interview. I am a [role at Ipsos], and my role on this evaluation is [interviewer to add.] As you know, Ipsos has been appointed as the Evaluation and Learning Partner for the Market Accelerator for Green Construction programme.
* We are currently at the start of this evaluation, having completed the scoping phase and now beginning the process evaluation phase. As part of this process evaluation, we are aiming to further investigate the programme mechanisms, evolution, and its rationale and what has been working well so far in terms of processes. We will use the findings from these interviews to inform a process evaluation report. We are looking for honest feedback, and all responses, positive or negative, are valuable for learning and improvement. Your participation in this interview is voluntary and you can change your mind and terminate the interview at any time. Likewise, you are not required to answer any questions if you do not want to.
* All personal data and responses will be collected and handled by the Ipsos team only. Your responses will be classified as strictly confidential and will be used solely for this project. We will never name you in the report of our findings, and whatever you say will be anonymised and reported on in an aggregated way.
* The interview should take about an hour but might be slightly shorter or longer depending on your responses. We would like to record this interview for analysis purposes, to help us accurately collect information for the evaluation. The recordings will be securely stored and retained by us and destroyed after the completion of the evaluation [Ask for permission to record interview]
* [Note for the interviewer: the following questions will not be applicable to all interviewees. The list of questions will need to be tailored to the specific stakeholder interviewed to prioritise those that are most applicable to their role. In doing this please refer to the Programme process map found within the scoping report, and to the programme Theory of Change].

### Background and context

1. (Only if not interviewed before) Can you introduce yourself and your role within the MAGC programme?

a. Probe for involvement in programme design process and in delivery processes

b. What are the main responsibilities you hold in this role?

2. How has your role and responsibilities within the MAGC programme evolved as the programme has developed?

### Management approach

3. How was the management approach for MAGC agreed between DESNZ and IFC?

4. Were you involved in establishing the management approach between DESNZ and IFC for the MAGC programme?

Probe on specific processes based on answer, referring to process map.

5. (Only if not asked before) Could you give an overview of the roles of DESNZ and IFC in the design and implementation of the programme components?

a. (If applicable) Could you describe the specific responsibilities you had in the design of the MAGC programme's components?

6. In your view, how can the governance and management approach taken for MAGC contribute to the achievement of programme objectives?

Probe on:

a. Investment and Advisory agreements achieving their purpose

b. Adaptations during programme delivery, and the extent to which the management approach is reviewed regularly/is flexible to change

7. How does the MAGC’s performance management process work?

Probe on:

a. The reporting systems involved in the programme

b. How the delegation of funds is handled within the programme

8. Thinking about the management approach, where do things seem to be working well and where are they working less well?

Probe on: delegation of funds, reporting, decision-making, governance structure, delivery

a. Examples of processes that have been particularly effective

b. Any areas where you think your role or you’ team's role could be improved or done differently

### Programme Mechanisms

[Interviewer to clarify what is meant by mechanisms – links between Theory of Change elements that describe how the programme is expected to have the intended outcomes and impacts]

9. Were you involved in the planning and design of the MAGC programme and its Theory of Change?

a. (If yes) How did the decision-making process work on which mechanisms to include and highlight in the Theory of Change? Can you give specific examples?

Probe on specific processes based on answer, referring to process map and Theory of Change.

10. (Only if not interviewed before) From your perspective, what are the key barriers that the MAGC programme is seeking to address? In which ways can the programme contribute to the acceleration of the green construction market?

a. Probe on Theory of Change identified intermediate and longer-term outcomes

11. In your experience, how do the four programme components interact? Could you give some examples of interactions/interdependencies?

Probe on:

a. Specific components that are relevant to interviewee, and how/if they interact with the others.

b. In what ways, if at all, could the interactions between the components influence the outcomes of the MAGC programme

c. Any specific examples where the interactions between components have presented challenges or opportunities within the programme

12. Thing about the MAGC programme overall, what would you say are the key assumptions for the realisation of MAGC objectives?

a. Probe both on internal factors (processes, management and delivery assumptions) and external factors (developments outside of the programme, contextual issues, external risks)

13. From your personal perspective within DESNZ/IFC, how do you perceive the programme mechanisms illustrated in the Theory of Change?

Probe on specific mechanisms based on answer, referring to Theory of Change.

a. Do you feel that the results of the mechanisms are well represented?

b. Is there anything significant that you think is missing from the programme mechanisms?

c. (If applicable) Do you feel that the Logframe accurately reflects the programme mechanisms illustrated in the Theory of Change? If not, what aspects should be better captured?

14. Thinking about Gender Equality and Social Inclusion, are there any stages and/or components of the programme that are more relevant to GESI considerations? (e.g., GESI specific co-benefits of the programme, gender equality within the programme)

Probe on:

a. Where, in future programme design phases, would be most important to embed GESI considerations (Business case development, Theory of Change, Logframe and design of M&E processes, governance and management approach, delivery design and stakeholder roles)

b. How GESI policies and strategies within DESNZ/IFC align with the MAGC programme (currently or in the future)

### Country and project selection

15. Can you explain the rationale behind the selection and prioritisation of countries for the programme?

a. (If applicable) How were you involved in the country selection process for the MAGC programme within DESNZ/IFC?

Probe on

b. Any concerns or challenges around the selection

c. (For DESNZ only) alignment of the selection of MAGC eligible countries with HMG priorities

d. Any lessons learned so far on country selection/on where to focus MAGC activities

16. How are investments and programme activities selected and who within DESNZ and IFC is responsible for these?

17. When considering where to focus MAGC activities, how do you balance the breadth of the programme (presence in multiple countries) with the depth of support needed for transformation in specific countries?

Probe on:

a. Any activities in countries designed to support a specific MAGC objective

18. When selecting investments, how does the programme prioritise between pursuing the most transformational climate and social development projects versus projects with the most favourable market conditions and best return-on-investment?

19. In your opinion, in what ways do current programme activities aim to tackle the barriers that the programme aims to address? Please tailor question to interviewee and probe on:

a. Selected investments (addressing barriers for the project individually and collectively with other investments)

b. Capacity building activities

c. EDGE uptake

d. Research activities

### Wrap up and recontact

20. Is there anything else that we haven’t discussed that you would like to share or that you think will be important for the evaluation?

21. Are you happy to be recontacted by email if we have any follow-up questions or for an interview at a later stage in the evaluation?

## Country level interviews (T2) IFC offices and Wider stakeholder topic guide

* [For stakeholder types: IFC country/regional offices, Embassies, Policymakers, Green Construction stakeholders and stakeholders involved in other programmes]
* Thank you for agreeing to take part in this interview. I am a [role at Ipsos], and my role on this evaluation is [interviewer to add.] As you know, Ipsos has been appointed as the Evaluation and Learning Partner for the Market Accelerator for Green Construction programme.
* The Market Accelerator for Green Construction (MAGC) programme is an initiative aimed at catalysing the transformation of the green construction market. The MAGC programme is designed to accelerate the growth of the green construction sector, contribute to climate change mitigation, and support sustainable development. It does this by leveraging investments to stimulate market demand for green buildings, providing advisory and capacity building and fostering collaborations between key actors in the green building market.
* We are currently at the start of the evaluation, having completed the scoping phase and now beginning the process evaluation phase. As part of this process evaluation, we are aiming to further investigate the programme mechanisms, evolution, and its rationale and what has been working well so far in terms of processes. We are looking for honest feedback, and all responses, positive or negative, are valuable for learning and improvement. Your participation in this interview is voluntary and you can change your mind and terminate the interview at any time. Likewise, you are not required to answer any questions if you do not want to.
* All personal data and responses will be collected and handled by the Ipsos team only. Your responses will be classified as strictly confidential and will be used solely for this project. We will never name you in the report of our findings, and whatever you say will be anonymised and reported on in an aggregated way.
* The interview should take about an hour but might be slightly shorter or longer depending on your responses. We would like to record this interview for analysis purposes, to help us accurately collect information for the evaluation. The recordings will be securely stored and retained by us and destroyed after the completion of the evaluation [Ask for permission to record interview]
* [Note for the interviewer: the following questions will not be applicable to all interviewees. The list of questions will need to be tailored to the specific stakeholder interviewed to prioritise those that are most applicable to their role. In doing this please refer to the Programme process map found within the scoping report, and to the programme Theory of Change].

### Introduction and background and context

22. Can you introduce yourself and your role within your organisation?

a. Probe for involvement in any programme delivery processes

b. Probe for any involvement in the four components of the MAGC programme

23. [Ask green construction stakeholders only] How long have you been involved in the green construction industry and in what capacity?

24. Can you describe your organisations objectives and how they align with the objectives of accelerating greener construction, promoting sustainable building practices, and contributing to climate change mitigation? [If useful to refer to overall impact statement of MAGC: Achieving energy savings and reduced emissions through the construction of new green buildings in selected countries]

25. (If involved/familiar with MAGC) Are you involved in any other green construction programmes similar to MAGC?

a. If so, which programmes, and how are they similar to MAGC?

### Country context and relevance to in-country needs

26. Can you briefly describe the current state of the green construction landscape in your country? Note: if necessary, define as: context and policies for encouraging environmentally friendly and resource-efficient processes into each state of a building’s life cycle, from design and construction to operation and maintenance (e.g., incentives and regulations)

Prompts:

a. Current policy landscape for green buildings

b. Main incentives for adopting green construction practices

Examples: Resource savings, cost savings, increased market demand, regulatory incentives, and certification and rating system incentives.

c. Key barriers and challenges for financing green construction in the country

27. In your view, to what extent is there a need for a programme supporting accelerating green construction in your country?

Prompts:

a. any specific environmental challenges the country faces in relation to the construction industry

b. challenges for developers or other key stakeholders in the green construction industry

28. How can different MAGC programme components [briefly describe what has been delivered in country by MAGC programme] contribute to the uptake of green buildings in your country?

Probe on mechanisms of the Theory of Change:

a. Raising awareness on the concept of green buildings, both within Financial Intermediaries and more widely in the market.

b. Increasing capacity of stakeholders in the market (architects, auditors, developers, certifiers) and strengthening the enabling environment

c. Demonstrating benefits of green buildings

29. (If involved/familiar with MAGC) In your view, how does the MAGC programme align with your country’s policies and strategies for green construction?

a. How can the MAGC programme contribute to the achievement of your country’s sustainable development goals?

### Country-level programme processes

(Ask Embassies, and other stakeholder involved in MAGC programme based on response to Q1b)

30. Could you describe your involvement in MAGC activities so far?

(Ask following questions if involved with the programme)

31. How are country level activities set up and launched in your country?

[Depending on components active in the country, probe on the following:]

a. (If relevant) processes for identifying investment opportunities in the country

b. key stakeholders involved in the process of setting up activities for investment and advisory/capacity building (and how IFC collaborates or consult with these stakeholders during the process)

c. any concerns or challenges around the set-up of activities

32. What are your views on the current programme portfolio in the country?

Probe on:

a. Type of investments/activities in the country

b. The rationale and any criteria that were used to evaluate and select projects for the programme

33. When selecting investments, how does the programme prioritise between pursuing the most transformational climate and social development projects versus projects with the most favourable market conditions and best return-on-investment?

34. Were there any lessons learnt during MAGC activities so far that will influence future processes?

35. Where do things seem to be working well and where are they working less well?

Prompts:

a. Things working particularly well in the governance or delivery of the programme

b. Challenges/ areas working less well

### Role of EDGE in green construction

36. Are you familiar with the EDGE standard for green construction? If yes:

a. In your opinion, what are key benefits of EDGE for green buildings?

37. Are there any other green construction standards used in the country? (e.g., LEED, BREEAM)

a. [Ask green construction stakeholders] What are the key differences between EDGE and other standards?

### Management approach and delivery model

38. How does the management/governance approach of the MAGC programme work at country level?

Probe on

a. Any examples of adaptations or changes in the approach since the programme start (e.g. to overcome challenges or take advantage of any opportunities in the country)

39. Where do things seem to be working well and where are they working less well?

Prompts:

a. Things working well

b. Challenges/ areas working less well

c. Insights on the efficiency of the management processes

Probe on specific processes based on answer, referring to process map.

d. Any examples of where your individual contribution or the contribution of your team is particularly effective

e. Any areas where you think your role or your team's role could be improved or done differently

40. [If involved in other programmes/projects] How do the delivery model and management approach of MAGC compare to other programmes/projects?

a. In what ways are they similar/different?

b. Are there any aspects that are unique to the MAGC programme?

### Management approach and delivery model of other programmes

[Ask stakeholders of other programmes only, or to stakeholders familiar with other similar programmes in country]

1. Could you describe the governance approach of [Programme name] in [country]?

Probe on:

a. Governance structure between funders, delivery partners, other stakeholders

b. Any specific management tools or strategies that have been particularly effective

2. How is the [Programme name] been delivered/implemented in your country?

Probe on:

a. Type of projects/interventions the programme focused on in the country

b. Any criteria that were used to evaluate and select projects for the programme

3. To what extent is Gender Equality and Social Inclusion embedded in the programme? (in terms of programme objectives and co-benefits, and whether/how they are measured)

4. Where do things seem to be working well and where are they working less well?

Prompts:

a. Things working particularly well in the governance or delivery of the programme

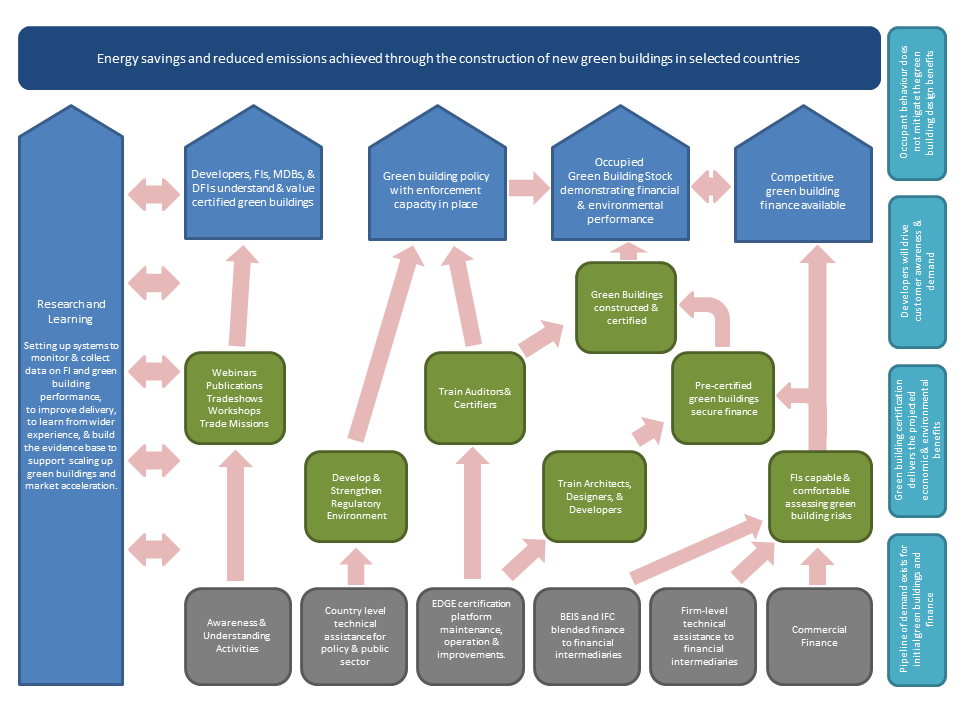
b. Challenges/ areas working less well

### Wrap up and recontact

5. Is there anything else that we haven’t discussed that you would like to share or that you think will be important for the evaluation?

6. Are you happy to be recontacted by email if we have any follow-up questions or for an interview at a later stage in the evaluation?

# Annex 7: MAGC Theory of Change



Summary

The MAGC Theory of Change has been developed by the IFC and DESNZ teams, building on the Theory of Change of the Green Building Market Transformation Program. A narrative accompanying the Theory of Change has also been developed in the business case, setting out the major barriers to change, evidence underpinning the Theory of Change, and key mechanisms to the intended impact of the programme. The MAGC Logframe sets out the key outputs, outcome and impact and corresponding indicators (and which of those correspond to ICF KPIs) and results.

The MAGC programme aims to achieve transformational change, defined by DESNZ ICF as ‘change that catalyses further changes’, enabling either a shift from one state to another (e.g., from conventional to lower carbon or more climate-resilient patterns of development), or faster change (e.g., speeding up progress on cutting the rate of deforestation).[[74]](#footnote-75) From the first review of the MAGC Theory of Change and familiarisation activities, the type of transformational change anticipated in the programme is a shift from a state in which countries lack the uptake of green building practices and construction to another in which green buildings are financed and constructed and enable achievement of energy and emissions savings. While the programme Theory of Change does not explicitly link outcomes to transformational change mechanisms, there are outcomes (both intermediate and longer-term) that are expected to lead to transformational change.

The Theory of Change outlines how the programme activities are expected to lead to increased green building construction. Activities under the four components of the programme (investment and advisory, capacity building, EDGE certification, and research and evidence) intend to work together to create a market where green buildings are valued and widely adopted, supported by readily available financing and robust policies. This is expected to be achieved through:

* Providing financial support and guidance to financial institutions to catalyse investments towards green building projects
* Awareness raising on the commercial case for green buildings and technical assistance to the private and public sector, to strengthen capacity of the sector and improve the enabling environment
* Providing a certification tool that helps design and build green buildings
* Building the evidence to present and demonstrate the benefits of green buildings and the validity of the EDGE certification

As outlined in the programme business case, the programme aims to make “the commercial as well as environmental benefits of green construction clear for policymakers, builders, bankers and buyers and to change decision-making patterns, thereby transforming the construction sector market”.[[75]](#footnote-76)

Detailed description

The Theory of Change starts at the level of inputs and activities. We understand the inputs of the MAGC programme as the following:

* Financial support provided by the UK government
* Financial support provided by IFC and private finance in the blended finance investments
* Resources (staff and time) dedicated by DESNZ, IFC, partner institutions (e.g., embassies) and programme participants (FIs, public and private sector stakeholders)

The activities and outputs in the Theory of Change are aligned with the four different components of MAGC and types of support it provides.

As part of the investment and advisory component, the MAGC programme provides blended finance and advisory services to financial institutions. The key outputs for these activities are that:

* MAGC finance is secured for green buildings (corresponding to output 1a in the Logframe)
* and that financial intermediary-level advisory activities are delivered (corresponding to output indicator 1a2 and 1a5 in the Logframe).

The capacity building component is focused on enabling environment activities, including market engagement plans to support the development and strengthening of the enabling environment, awareness raising of the business case for green buildings, and understanding activities and country-level technical assistance for the policy and public sector. Outputs resulting from these activities are:

* the implemented market engagement plans (indicator 2.1);
* the delivered webinars, publications, tradeshows, workshops, trade missions to support the development and strengthening of the enabling environment;
* architects, designers, and developers being trained to use the EDGE certification platform for green building constructions, and auditors and certifiers being trained to certify green buildings with EDGE;
* the regulatory environment is being developed and strengthened (via country-level technical assistance for policy and public sector).

As part of the EDGE component, key activities are related to the EDGE certification platform maintenance, operation, and improvements. Corresponding outputs are:

* the development and launch of EDGE tool improvements (indicator 3.1),
* development and launch of the Climate Assessment for Financial Institutions (CAFI) tool improvements (indicator 3.2),
* and the development of a robust process to assess whether or not additional standards can be incorporated into the programme (indicator 3.3).

The Research and Evidence component (referred to in the Theory of Change as Research and Learning, and in the MAGC brochure as Green Building performance report and dissemination) key activities include development of systems to monitor and collect data on financial institution[[76]](#footnote-77) and green buildings performance and generate green building market intelligence, and outputs related to:

* the successful set up of these systems
* delivery of stakeholder, market assessments and EDGE impact evaluations (Smart Metering Study) research workstreams.

In terms of outcomes in the Theory of Change that result from the components’ activities, we have distinguished them here into intermediate and longer-term outcomes based on our current understanding of the Theory of Change. While the exact timeline of expected outcomes is still uncertain, our current understanding is that intermediate outcomes are expected to be realised within the programme timeframe (ending in 2033, with its investment period running until 2027), while longer-term outcomes go beyond the end of the programme, and refer to wider market transformational change.

We understand intermediate outcomes of the MAGC programme to be:

* Financial intermediaries are capable and comfortable assessing green building risks – this outcome is a direct result of the investment and advisory component activities, and links to transformational change criteria “Capacity and capability can be increased”. In addition to MAGC investments, the MAGC advisory component aims to contribute to raise awareness on the concept of green buildings, both within FIs (to develop internal systems and tools) and more widely in the market.
* Pre-certified green buildings secure finance (as a result of blended finance investments).
* Green buildings are constructed and certified (as a result of blended finance investments and use of the EDGE tool, but also via the country-level technical assistance aimed at more EDGE penetration and more certified buildings).

Three assumptions underpinning the links between outputs and intermediate outcomes were listed in the programme business case:

* The programme will utilise a range of financial instruments designed to maximise impact whilst minimising subsidy in support of proving the commercial case.
* That blended finance will be based on market need, barriers and the principle of using minimal concessionality.
* That the bulk of the projected construction will be in low to middle income residential, but that the intervention will also include the construction of commercial and mixed-use buildings.
* That a robust evidence base will be developed as part of the research component, that can be used to further enhance green building standards and motivate the uptake of green construction over conventional approaches.

Other key assumptions underpinning the programme, which were highlighted in programme documentation and/or in scoping interviews are:

* Financial intermediaries are interested in developing products for green buildings.
* A pipeline of demand exists for initial green buildings and finance.
* Private sector stakeholders will understand and agree – through participation in MAGC – that there is an economic value in addition to the climate change perspective of green buildings.

Five key longer-term outcomes result from the interaction between components:

* Developers and other green building professionals / market actors, investors (FIs, MDBs, DFIs), and future residents/occupiers understand and value certified green buildings. The causal links for this outcome refer mainly to the awareness and understanding activities done through the MAGC programme. Our understanding of this causal link is that to engage financial institutions to grow their green construction portfolio, the need is for the broader market to be engaged, to build the pipelines that will make FIs confident to invest in green buildings. This is also related to the transformational change mechanism “Leverage/incentives for others to act is created”.
* Green building policy with enforcement capacity is in place. This outcome is intended to be a result of the country-level technical assistance for the policy and public sector, as well as from the capacity of auditors and certifiers.
* Occupied green building stock demonstrating financial and environmental performance.[[77]](#footnote-78) The causal links for this outcome refer to the successful performance of the green buildings constructed and certified, both from an environmental perspective (related to assumptions on the EDGE tool) and financial perspective (related to finance available). The programme aims to achieve transformational change also through innovation, for which this outcome will be relevant in particular in relation to the use of EDGE and CAFI tools.
* Competitive green building finance available. This outcome would result from the mobilised finance that supported FIs can raise following MAGC’s support, both through blended finance and through advisory services to increase confidence in green building finance.
* As a cross-cutting outcome, the research component is intended to improve delivery, learn from wider experience, and build the evidence base to support scaling up green buildings and market acceleration.

These longer-term outcomes are also captured in the overarching outcome statement in the Logframe “An effective green building certification system, proven green building stock financial performance and key stakeholder understand and value certified green buildings drives the expansion of finance to the green buildings sector.”, and measured through outcome level indicators (OI 1-8) including ICF’s KPI 16 (energy used expected to be avoided from certified buildings) and KPI 6 (GHG emissions expected to be avoided from certified buildings). The transformational change criterion of “Critical mass” is also a key measure of market transformation (both in terms of FIs entering the green building market and certified floor space achieved).

Key assumptions at the intermediate-to-longer outcome level in the Theory of Change are that green building certification delivers the projected economic and environmental benefits (also included and further developed in the Logframe) and that developers and other green building professionals / market actors will drive customer awareness and demand. As also reflected in the Logframe assumptions underpinning outcome indicators, the demonstration effect is key to shifting financial institutions towards a greener portfolio, as well as the assumption that additional financial intermediaries will be interested in entering the green building market when they see others entering. Intermediate-to-longer outcomes are also underpinned by delivery-related assumptions, including the effective use of expected financial instruments, the engagement of relevant capacity building stakeholders that can act on recommendations, and the achievement of EDGE platform improvements. Finally, the realisation of programme outcomes is also underpinned by the assumption that a robust evidence base as part of the research component contributes to strengthening the business case for scaling up green finance in this sector.

The overarching impact statement of the Theory of Change is that energy savings and reduced emissions are achieved through the construction of new green buildings in selected countries. This is measured in the Logframe via the proportion of countries where there is an evolution of the Green Buildings market (impact indicator 1) and by the average greenhouse gas emissions of buildings attaining EDGE preliminary certification each year worldwide [tCO2e per m2 per year] (impact indicator 2).

# Annex 8: Theory of Change review and revised diagram proposal

### Evaluability Assessment checklist

For the review of MAGC’s Theory of Change, we have followed Davies (2013) evaluability assessment checklist,[[78]](#footnote-79) presented in the Table overleaf. The table includes a column of the evaluation team’s assessment of each criterion set out by Davies, as well as the evidence used to reach this assessment.

| Evaluability Assessment checklist (Davies, R. 2013; pp. 19 – 23) | |  | |  |
| --- | --- | --- | --- | --- |
| Clarity? | Are the long-term impact and outcomes clearly identified and are the proposed steps towards achieving these clearly defined? | | Theory of Change fulfils criterion. Evidence: Theory of Change workshop  Programme stakeholders interviewed and participating in the Theory of Change workshop agreed it represents accurately the main pathways to change that the programme aims to achieve. | |
| Relevant? | Is the project objective clearly relevant to the needs of the target group, as identified by any form of situation analysis, baseline study, or other evidence and argument? Is the intended beneficiary group clearly identified? | | Theory of Change fulfils criterion. Evidence: country-level interviews, political economy analysis, documentation review  As described in 5.3, the project objective is relevant to in-country needs. As described in 3.1, the project objective is relevant to the broader policy context. | |
| Plausible? | Is there a continuous causal chain, connecting the intervening agency with the final impact of concern?  Is it likely that the project objective could be achieved, given the planned interventions, within the project lifespan? Is there evidence from elsewhere that it could be achieved? | | Theory of Change needs improvement. Evidence: Theory of Change workshop, documentation review  Programme stakeholders said that the main mechanisms leading to impacts are deemed valid through delivery. However, it was identified in the workshop that a noticeable missed channel in the Theory of Change was related to market creation within countries (e.g., promoting MAGC amongst banks). | |
| Validity and reliability? | Are there valid indicators for each expected event (output, outcome and impact levels)? I.e., will they capture what is expected to happen? Are they reliable indicators? I.e., will observations by different observers find the same thing? | | Theory of Change needs improvement. Evidence: Theory of Change workshop, documentation review  A concern that emerged during the review is the lack of clarity around the outputs, outcomes, and impacts in the Theory of Change diagram, which can create difficulties in linking these elements to Logframe indicators. For instance, Output 5 (O5) and Output 6 (O6) from the Logframe, which relate to GHG emissions and energy use, should ideally be the impact. Output 7 (O7) on floor space with EDGE post-certification, on the other hand, should be regarded as the outcome. These distinctions are currently not precisely reflected in the Theory of Change. | |
| Testable? | Is it possible to identify which linkages in the causal chain will be most critical to the success of the project, and thus should be the focus of evaluation questions? | | Theory of Change needs improvement. Evidence: Theory of Change workshop, documentation review  In the Theory of Change workshop, the Ipsos team and DESNZ/IFC programme stakeholders went through the key linkages and how these are measured in the Logframe. It was found that the linkages were not clear, which means the Theory of Change is not immediately testable. | |
| Contextualised? | Have assumptions about the roles of other actors outside the project been made explicit? (both enablers and constrainers) Are there plausible plans to monitor these in any practicable way? | | Theory of Change fulfils criterion. Evidence: documentation review  The roles of all actors directly and indirectly involved in MAGC, the enables, and the barriers to achieving its objective, are all thoroughly set out in the Theory of Change narrative in the business case. | |
| Consistent? | Is there consistency in the way the Theory of Change is described across various project multiple documents (Design, M&E plans, work plans, progress reports, etc.) | | Theory of Change fulfils criterion. Evidence: documentation review  The documentation review showed that the narrative accompanying the Theory of Change is consistent across various documents, including the business case and the annual reviews. | |
| Complexity? | Are there expected to be multiple interactions between different project components? [complicating attribution of causes and identification of effects] How clearly defined are the expected interactions? | | Theory of Change needs improvement. Evidence: Theory of Change workshop, programme-level interviews, documentation review  Multiple interactions are expected to take place between the four components, but these are poorly depicted on the Theory of Change. The interactions between components were identified as key to achieving MAGC’s overall objective, therefore it is important for these to be clearly set out in the Theory of Change. Stakeholders agreed that the connections between components needs to be more explicit and to emphasise the positive reinforcements among components.  Moreover, the Theory of Change would benefit from clearly setting out which outcomes, outputs, and activities related to each of the four components. At the moment there is no clarity around which elements relate to Component 1, 2, 3, while Component 4 is presented in only one box that corresponds to both outcomes and outputs. | |
| Agreement? | To what extent are different stakeholders holding different views about the project objectives and how they will be achieved? How visible are the views of stakeholders who might be expected to have different views? | | Theory of Change fulfils criterion. Evidence: Theory of Change workshop, programme-level interviews, country level interviews, documentation review  There was little to no disagreement between stakeholders about MAGC’s objectives and how to achieve them. | |

Source: Evaluation Team review and Davies, R., 2013. Planning Evaluability Assessments: A Synthesis of the Literature with Recommendations. Report of a Study Commissioned by the Department for International Development. Available on <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248656/wp40-planning-eval-assessments.pdf>.

### Component-level review

A summary of the strengths and weaknesses identified in the Theory of Change against each component can be found in the table below.

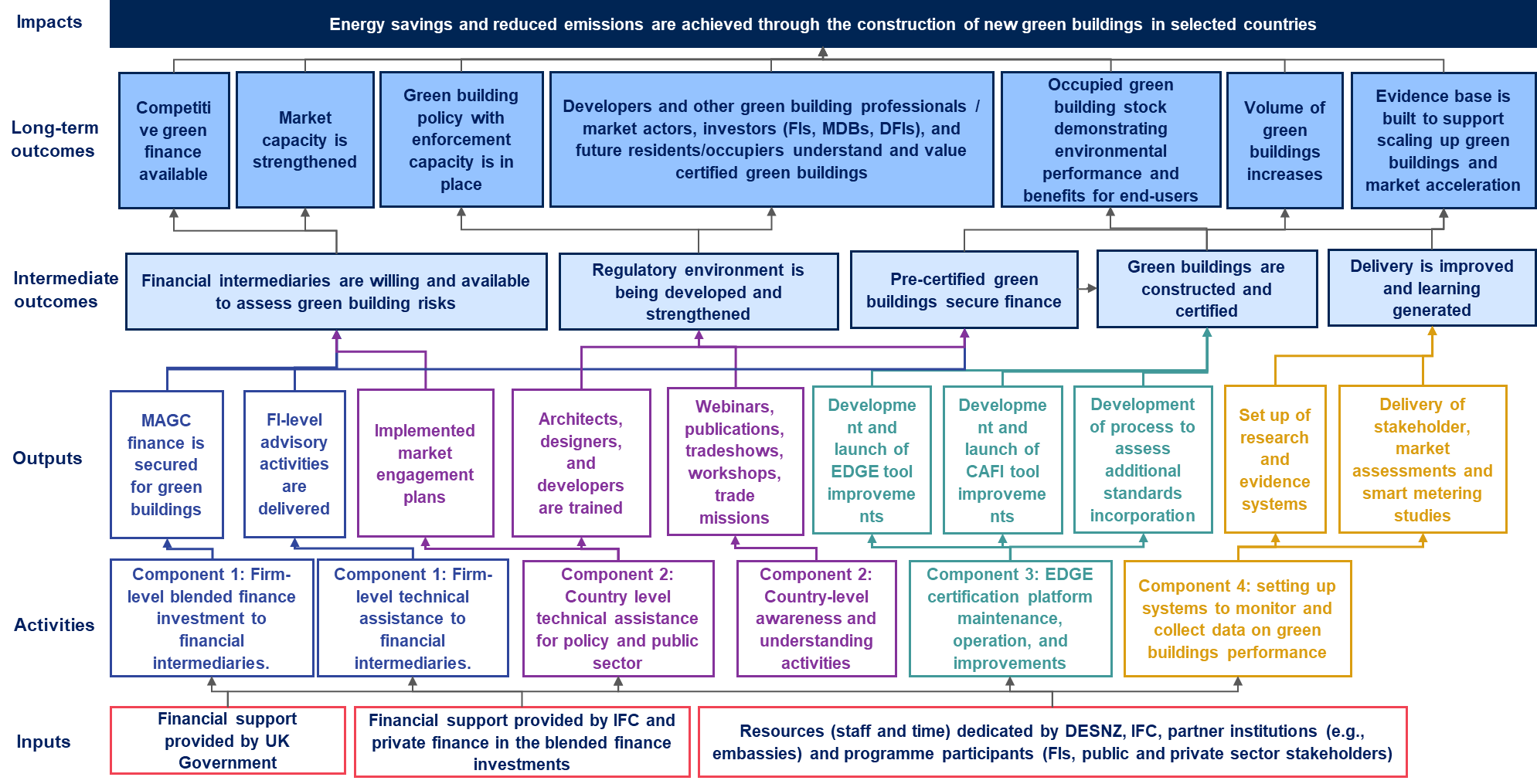
Table 5.2 Component-specific review of the Theory of Change

|  | Mechanisms well  captured in the Theory of Change | Missing mechanisms  or links |
| --- | --- | --- |
| 1: Investment and Advisory | Outcome: “Competitive green building finance available”  This is the ultimate goal of this component, and it is clearly shown in the diagram. This outcome refers to the aim of MAGC to work towards shaping a market that provides green building finance commercially and competitively, moving away from concessionality. This includes any additional financing that is secured beyond MAGC.  Link: “Train architects, designers, & developers” leading to “Pre-certified green buildings secure finance”  This link is key to achieving MAGC’s ultimate goal and it is clearly depicted in the Theory of Change. | Outcome: “FIs capable & comfortable assessing green building risks”  This outcome should refer to FIs being “willing and available” (instead of “capable and comfortable”) to assess green buildings risks. |
| 2: Capacity building | Outcome: “Developers, FIs, MDBs, DFIs understand and value certified green buildings”  This outcome captures the aim of perceptions-shifting amongst relevant stakeholders (i.e., developers, FIs, MDBs, DFIs). | Outcome: “Webinars, publications, tradeshows, workshops, trade missions”  Outcome: “Develop & Strengthen regulatory Environment”  These two outcomes should be linked together, as the first one leads to the second.  Additional outcomes to include:  “Increasing/strengthening market capacity”, where different players are involved.  “Volume of green buildings in the market increases”, to reflect market transformation. |
| 3: EDGE | Link: “EDGE certification platform maintenance, operation & improvements” leading to “Green buildings constructed & certified” and “Occupied green building stock demonstrating financial and environmental performance”  These are the key mechanisms of the component, and they are depicted clearly in the diagram. | A need to better capture the variation of different EDGE tools  Link to show that component 3 facilitates the certification (at design and construction phase) but is not directly linked to funding the construction. |
| 4: Research | “Research and Learning. Setting up systems to monitor & collect data on FI and green building performance, to improve delivery, to learn from wider experience, & build the evidence base to support scaling up green buildings and market acceleration.”  Representation in the Theory of Change reflects well the wider scope of this component across the whole programme. | Component 4 no longer looks at FI performance.  It should be made clearer that the Research component works on MAGC countries, but its work might have spillover effects in countries beyond the programme. For example, the Smart Metering Study will generate learnings that will be publicly available, having the potential to affect policy beyond MAGC countries and therefore beyond the programme scope. |

Source: Theory of Change workshop and evaluation team review

### Revised diagram proposal

The following diagram illustrates a revised version of the MAGC Theory of Change diagram, considering the suggestions illustrated in the Theory of Change review as part of this process evaluation. The programme assumptions included in the original diagram have not been included in this diagram, as they are presented more in detail in the Theory of Change narrative (see Annex 7). The diagram is an initial proposal to be agreed and finalised with MAGC programme stakeholders.



# Annex 9: Terms of Reference

Section 2   
Specification of Requirements   
Invitation to tender for: Market Accelerator for Green Construction (MAGC) – Learning and Evaluation Partner (L&E)   
Tender reference number: GB-GOV-13-ICF-0032-MAGC   
Deadline for tender responses: 26th January 2022, 13:00 GMT

Glossary

Throughout this document we will refer to several acronyms, including but not limited to:   
BEIS  Department for Business, Energy, and Industrial Strategy, otherwise referred to as “the Authority” Defra Department for Environment, Food and Rural Affairs   
DFIs Development Finance Institutions   
DP Delivery Partner   
EDGE Excellence in Design for Greater Efficiencies   
EQUALS Evaluation Quality Assurance and Learning Stakeholders   
FCDO Foreign, Commonwealth & Development Office   
FI Financial Intermediaries   
GDPR General Data Protection Regulation   
GESI Gender Equality and Social Inclusion   
HMG His Majesties Government    
ICF International Climate Finance   
IFC International Finance Corporation   
ITT Invitation to Tender   
KPI Key Performance Indicators   
MAGC Market Accelerator for Green Construction   
MDBs Multilateral Development Banks     
L&E Learning & Evaluation   
MIC Middle-income Countries   
ODA Official Development Assistance    
REP Research and Evidence Programme   
SDGs Sustainable Development Goals   
UNFCCC United Nations Framework Convention on Climate Change     
VfM Value for Money

2. Programme Context and Background

2.1. The International Context

International Climate Finance (ICF) is part of the UK’s Official Development Assistance (ODA) and is delivered by BEIS, FCDO, and Defra. BEIS’s component of the ICF focuses on largescale climate mitigation programmes in countries where climate mitigation potential is greatest - typically middle-income countries (MICs) with high or rapidly growing emissions and/or forest countries that play a critical role as major carbon sinks. This draws on BEIS’s ownership of and expertise in domestic decarbonisation, clean growth, innovation and green finance and remit as the lead Department on climate change mitigation and the UNFCCC negotiations.

2.2. The Market Accelerator for Green Construction (MAGC) Programme

The Market Accelerator for Green Construction (MAGC) is a £102.9 million BEIS funded programme delivered by the International Finance Corporation (IFC), the private sector facing arm of the World Bank. The purpose of MAGC is to boost the uptake of greener construction practices and technologies in developing countries, focusing on new build. Growing the market for green construction will help tackle climate change by locking in low emissions through efficient design, whilst also realising the co-benefits of economic wellbeing for owners and occupants through lower utility bills, promoting energy and water security through resource efficiency. Therefore, improving quality of life and enabling green growth. The programme consists of both technical assistance and concessional finance through an adaptive multi-pronged approach. The focus is on countries where the case for green construction is strongest as indicated by high energy costs, high carbon intensity of energy and strong urban growth. The programme started in 2018 and the BEIS implementation and reporting period will run until end-2026. For the investment component, MAGC has a 7-year investment period completing by November 2025 and IFC has until 2045, if not earlier, to provide potential final repayments to BEIS. For the technical advisory components, IFC will carry out activities until 2032 and may continue to utilise the MAGC funding provided between 2018 – 2026 if available. Both IFC and BEIS reporting will end in 2026/27, except for additional agreed reports from the research component. During programme conception the original size of the programme was planned as £105 million, with £80 million for the investment component and £25 million for the technical advisory components. This was reduced following a decision to reduce the scope of the MAGC Research pillar from £7 million to £4.5 million (more detail included in MAGC Programme Activities section).

2.3. MAGC Countries MAGC currently operates in the following countries:

• Latin America & Caribbean: Argentina, Brazil, Colombia, Costa Rica, Mexico, Peru   
• Sub-Saharan Africa: Cote d’Ivoire, Ghana, Kenya, Nigeria, Senegal, South Africa, Tanzania   
• Middle East and North Africa: Egypt, Morocco   
• South Asia: Bangladesh, India, Pakistan   
• East Asia: China (Advisory Services only), Indonesia, Mongolia, Myanmar, Philippines, Vietnam

It previously operated in Panama, but this country has since graduated from ODA and ICF eligibility. Senegal and Tanzania were introduced into MAGC eligibility in 2021 and 2022 respectively. Annex F provides a summary of delivery so far in MAGC countries. To prioritise countries for the programme, IFC surveyed emerging and developing economies according to current green building market, urban growth, energy costs and carbon intensity of energy. Although MAGC is currently eligible for intervention in the above listed countries, intervention in a country is not guaranteed. In total, we expect MAGC the investment component to work in about 7 countries making 19 investments total; the capacity building and EDGE advisory work in about 14 countries or regions; and the research component in about 12 countries or regions. IFC, as sole decision maker, selects intervention based on potential impact, viability, and readiness in each of these countries. There is potential for the programme’s geography to be updated during the programme lifetime, if mutually agreed by BEIS and IFC. At present the majority of MAGC activities has been happening in Colombia, Mexico, Peru, South Africa, Kenya, Ghana, Indonesia, Vietnam, India, and Philippines.

2.4. Main Programme Activities

The programme has four components, adjusted, and refined according to the need in a country:   
• Investment - Blended finance and Advisory Services (Technical Assistance) to Financial Intermediaries (FIs). Implementation until November 2025.   
• Capacity Building: Country-level capacity building to strengthen the enabling environment. Implementation until 2033, monitoring until November 2025.   
• Green Building Certification: IFC’s Excellence in Design for Greater Efficiencies (EDGE) certification platform maintenance, operation, and improvements. Implementation until 2033, monitoring until November 2025.   
• Research: Green building performance research and dissemination. Implementation until 2033, monitoring until November 2025.

The programme aims to utilise a range of financial instruments designed to maximise impact and minimise subsidy in support of proving the commercial case for the growth of the supply and demand for green buildings. Eligible financial instruments for blended concessional finance investments include performance incentives (PBIs), interest rate buydowns (IRBD), senior loans, subordinated/mezzanine loans/equity and quasi-equity, and risk sharing structures, including guarantees. The technical assistance needs of all recipients of finance are assessed to ensure programme requirements are met and funds are deployed efficiently. The programme aims to utilise a range of financial instruments designed to maximise the impact whilst minimising subsidy in support of proving the commercial case, including Interest Rate Buy-down, Senior loans, Subordinated/mezzanine loans/quasi-Equity, Risk Sharing Structures. The technical assistance needs of all recipients of finance are assessed to ensure programme requirements are met and funds are deployed efficiently. Further technical assistance is provided to a range of actors (for example policy makers, developers, architects, and certification professionals) to develop the enabling environment in the market through policy development, awareness raising and strengthening the pipeline of green building projects. The intervention places an emphasis on the use of green construction standards, including - but not exclusively - the EDGE standard, as a way of improving building energy efficiency compared to conventional approaches. In recognition of the challenges to achieving energy efficient operation of buildings, a significant research component aims to develop a robust evidence base that can be used to further enhance green building standards and motivate the uptake of green construction over conventional approaches.

2.5. MAGC Objectives

The ambition driving this intervention is to reduce the greenhouse gas emissions from the building sector by increasing the proportion of energy efficient buildings being constructed, utilising green building practices and technologies. The intervention aims to contribute to the significant year-on-year growth in green buildings required to get the sector on track to achieve its role in the Paris Agreement. To reach this point, the expected outputs of the programme include: • Green buildings demonstrating financial and environmental performance. • Competitive green building finance available. • Green building policy and voluntary standards capacity in place. • Developers, FIs, MDBs, & DFIs1 understand and value certified green buildings. The Theory of Change for the programme MAGC can be found in Annex G.

2.6. BEIS-MAGC Delivery Partner Governance

Governance for delivery of the MAGC programme is mandated through an Investment and an Advisory Administrative Arrangement between the Delivery Partner - IFC - and BEIS. IFC have sole responsibility in all decision making, regarding the design and implementation of the Advisory Program and the Blended Finance Program in line with the Arrangements, and report progress to BEIS via a pre-agreed reporting schedule, including: a working group meeting every six weeks (which have since ceased); biannual programme meetings; two confidential semi-annual financial/operational reports; and an annual progress report (with log frame, results frameworks, and disaggregated data also provided) for public disclosure. Four departments lead the separate components of MAGC in IFC: the Financial Institutions Group (FIG), the Blended Finance Department, the Central Business Department, and the Economic and Development Impact Department. There is an established working-level group for MAGC’s delivery governance including the BEIS programme lead and an officer from each of the four IFC departments, as well as an IFC implementing officer and IFC analyst across the MAGC programme. In addition, IFC has appointed a MAGC Senior Manager who has leading responsibility for the programme across the four departments. The day-to-day delivery of the MAGC programme is managed by the IFC, with oversight from a programme lead in BEIS. BEIS also remains sighted and engaged on ad-hoc decisions relating to the programme, offering advice where appropriate and seeking to deepen our understanding of associated impact, benefits, and risks. The IFC Blended Finance Department have responsibility for representing the UK interests as contributors within IFC’s decision making processes, independent of the MAGC programme delivery team, and for ensuring appropriate use of concessional finance. More information on the IFC Blended Finance Department is provided in Annex H. During the approval of the Business Case and Administration Arrangements between BEIS and IFC, the following was agreed in relation to the external evaluation:   
• BEIS shall determine the scope and conduct of such review or evaluation, which IFC shall be invited to input and comment upon. IFC shall provide all relevant information within the limits of IFC's applicable policies and procedures.   
• IFC acknowledges that the evaluation and Component 4 on research, learning and dissemination component are essential to this program, and IFC will ensure to the best of its efforts that all relevant data and information necessary to deliver these will be made available. In addition, where more granular data sets may be necessary for specific research projects or evaluation to be obtained from participating FIs, IFC will seek to negotiate separate information sharing agreements with the participating FI governing the sharing of such data sets

2.7. Further information and useful links

Further information on MAGC can be found on the IFC website at https://www.ifc.org/wps/wcm/connect/topics\_ext\_content/ifc\_external\_corporate\_site/bf/focus -areas/bf-climate/magc

The Gov.uk Development Tracker website contains the MAGC business case, log frame and annual reviews and can be found at <https://devtracker.fcdo.gov.uk/projects/GB-GOV-13-ICF0032-MAGC/summary>.

EDGE certification portal- <https://edgebuildings.com/>

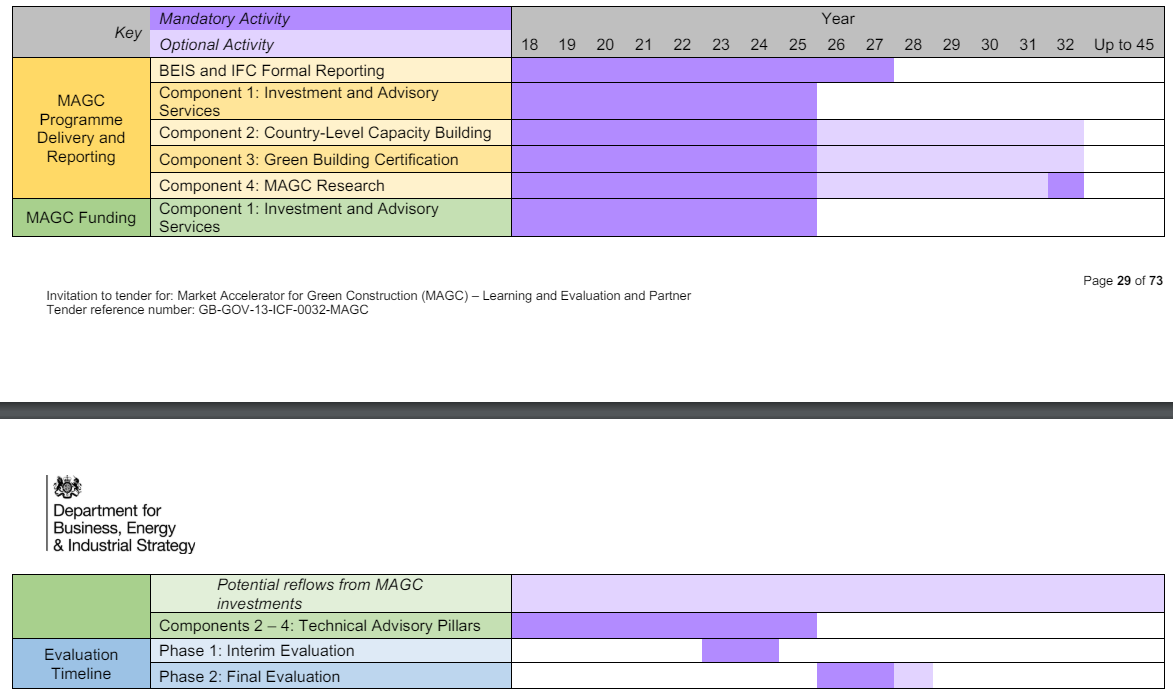
Other useful information that may be relevant for developing bids includes:   
• The Green Book: appraisal and evaluation in central government. https://www.gov.uk/government/publications/the-green-book-appraisal-andevaluation-in-central-governent   
• UK Statistics Authority Code of Practice/ or an equivalent standard. http://www.statisticsauthority.gov.uk/assessment/code-of-practice/   
• The Magenta Book, Government guidance on policy evaluation and analysis. <https://www.gov.uk/government/publications/the-magenta-book>.

3. MAGC Learning and Evaluation Aims and Objectives

3.1. Aims and Objectives

As a substantial investment in a relatively new sector for BEIS, learning and evaluation are key to giving assurance that the MAGC programme is having the intended benefits, whilst maximising the learning and transformation potential and informing future strategic decisions. The evaluation will run from April 2023 – 2027/8 and should consist of a process, outcome/impact, value for money evaluation, within an interim and final evaluation. An element of learning and dissemination will run through the entire evaluation. A short scoping phase after the contract has been awarded will be required, as well as a short closing phase once the evaluation has been completed. A re-scoping phase is also likely to be needed before the start of the final evaluation. This structure is to enable on-the-go learning of the programme during implementation as well as a detailed assessment of the programme once closed. We are seeking to procure a partner to lead the evaluation and learning/dissemination activities for the full scope of the scoping and evaluation activity. It is expected that the MAGC evaluation will run in line with the MAGC reporting lifecycle, ending in 2026 and not the implementation lifecycle ending in 2032. Please see Table 5 below for a timeline diagram for MAGC’s lifecycle and the evaluation. Please also see Table 7 for a full indicative timeline for the evaluation proposal.

Table 5: Timeline diagram for MAGC’s lifecycle and the evaluation



3.2. Phase 1 – Interim Evaluation

Aims: To understand if the governance and the design of the programme are working effectively, and to evaluate early outcomes of the programme implementation. The interim evaluation will run in two phases and will be ongoing while MAGC is in the delivery stage of the programme life cycle. During this phase, considerations such as the effect of Covid-19, delay in BEIS committing funds in some parts of the programme, and changes in the original scope of the programme will need to be considered to evaluate the programme delivery.

Phase 1a -Process Evaluation Objectives:   
• Inform and improve MAGC strategy and governance   
• Inform and improve programme design learning for future similar programmes   
• Learn about how Gender Equality and Social Inclusion (GESI – definition provided in Annex I) can be designed in future similar programmes

Phase 1b – Early Outcome Evaluation and Value for Money Assessment Objectives:   
• Improve the ongoing MAGC delivery of results effectively   
• Learn for future similar programmes, e.g., green construction, mixed blended finance, and technical advisory   
• Assessment of the value-for-money approach   
• Learn about Gender Equality and Social Inclusion (GESI) in MAGC delivery for future similar programmes

There will be opportunity following the interim evaluation to make adjustments and implement lessons learned to the MAGC programme to enhance delivery and outcomes based on the interim findings. Implementation actions will be agreed with the Evaluator, BEIS, and the Delivery Partner when the findings are known.

3.3. Phase 2 – Final Evaluation: Outcome and Impact Evaluation and Value for Money Analysis

Aims: The final evaluation will systematically assess the MAGC contribution to its outcomes and impacts as set out in the Theory of Change (Annex G), and evaluate to what extent, and through what activities, the programme has or is set to achieve transformational change in the countries it works in. The final evaluation will run when MAGC is in the closing stage of the programme life cycle (2026/27), but it is yet incomplete. This is to facilitate the data transfer from the Delivery Partner.

Phase 2 - Objectives:   
• Assessment of MAGC delivery and results across the programme lifetime   
• Learn for future similar programmes, e.g., green construction, mixed blended finance, and technical advisory   
• Assessment of the value-for-money approach   
• Learn about Gender Equality and Social Inclusion (GESI) in MAGC for future similar programmes

The evaluation will play a crucial role in shaping wider learning, including through ICF portfolio level evaluations to inform strategic decisions about the future makeup of the portfolio, as well as learning on best practice in Learning and Evaluation in relation to climate finance programmes. There may also be wider opportunities to improve the design and implementation of other ODA programmes. Please see Table 7 for a full indicative delivery timeline for the evaluation and learning activity covered by this contract.

3.4. Learning and Dissemination

Aims: Learning and dissemination activities will ensure that lessons from different strands of the evaluation are learnt and disseminated across key stakeholders throughout the whole length of the Contract. Learning activities will suggest how lessons learnt can be implemented in MAGC (and similar programmes). As buy-in from BEIS and the Delivery Partner in evaluation findings is crucial to this purpose, learning activities plans should encourage and reflect this. Learning and dissemination is also vital to get key stakeholders across government and the wider community to take on board lessons learnt for Climate Change mitigation activities.

3.5. Evaluation Framework

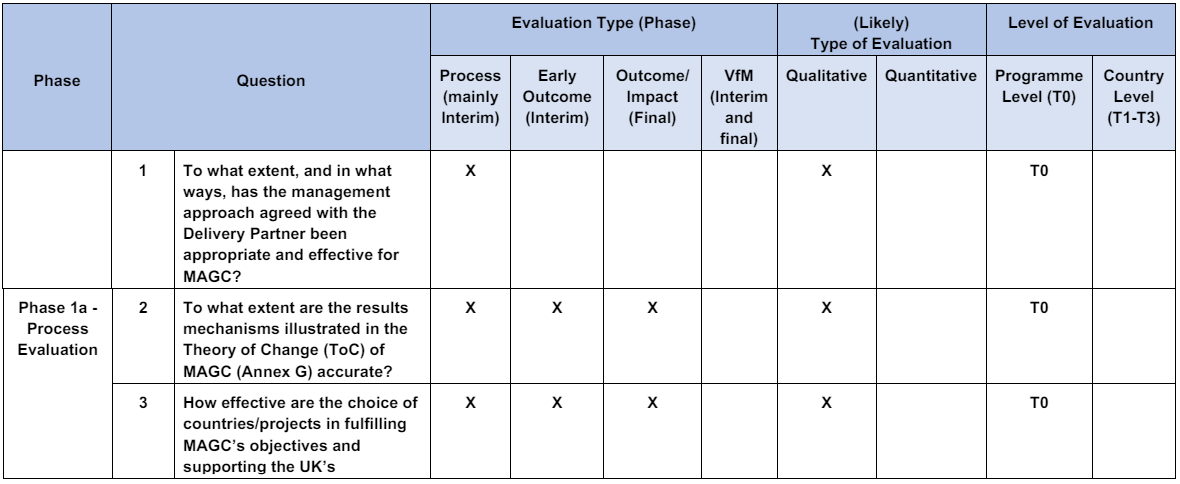
MAGC operates in up to 24 countries (see Section 2.3 for full country list). In answering the research questions (Q) below, we propose the following tiered approach across the MAGC countries to provide both depth and breadth to fully assess the programme against its Theory of Change.

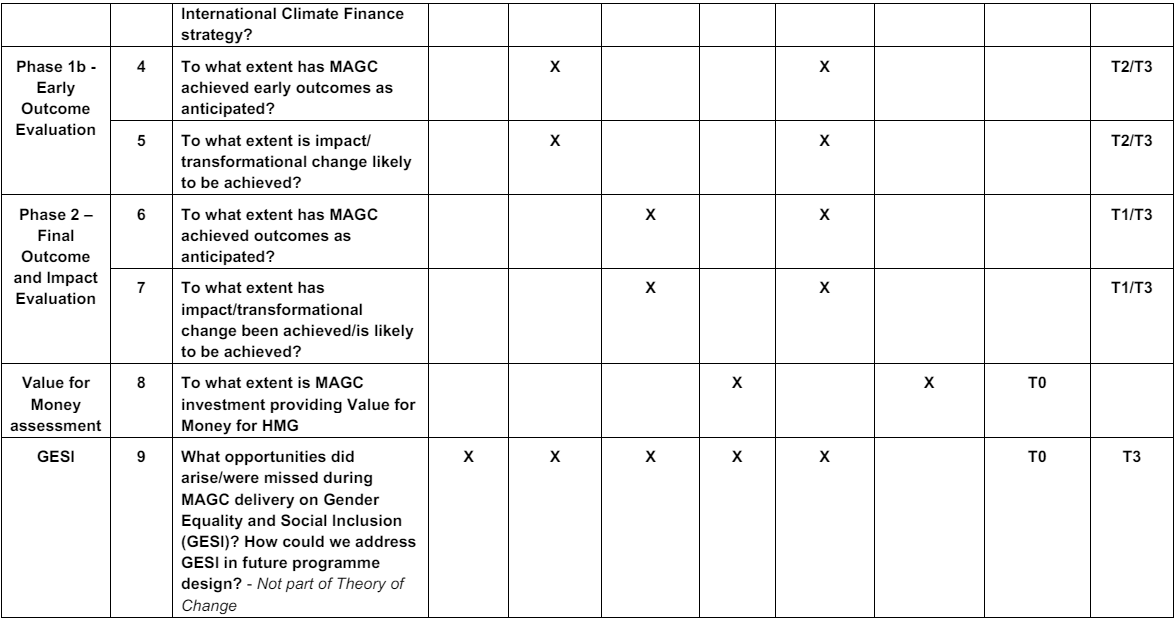
• Tier 0 (T0): Programme level (Q1, Q2, Q3, Q8 and Q9 below). In the process and design evaluation, research questions will be addressed at the programme level. A programme-level approach will also be used for Value for Money and GESI questions.   
• Tier 1 (T1): Basic analysis of all countries (Q6 and Q7 below ). To provide a comprehensive assessment of programme performance, for some of the questions the evaluation will assess progress in all countries.   
• Tier 2 (T2): Focused evaluation of countries with substantial delivery (Q4 and Q5 below). To gain greater depth of understanding, some evaluation questions should focus on countries in which substantial delivery intervention has happened at the time of the evaluation. In the interim evaluation, we envisage the number of these countries is estimated to be 10 (the final choice of countries will be agreed with BEIS in the Scoping Phase, but it is likely to be Colombia, Mexico, Peru, South Africa, Kenya, Ghana, Indonesia, Vietnam, Philippines, India). In the final evaluation, we envisage an in-depth evaluation in all MAGC countries, but this will be agreed with BEIS in the Re-Scoping Phase.   
• Tier 3 (T3): Deep dives (Q4, Q5, Q6, Q7 and Q9 below). In both the interim and final evaluations, the assessment of progress against the Theory of Change and GESI questions will also include a more in-depth evaluation in up to four countries – (the final choice of countries will be agreed with BEIS in the Scoping Phase, but it is likely to include India, Colombia, Vietnam, and South Africa). The aim of the deep dives is two-fold. First, it will enable in-depth analysis of the connection between context, mechanisms and outcomes and the extent to which the MAGC’s success hinges on context-specific factors. Second, it allows for better tracking of changes over time.

3.6. Evaluation Questions

There are nine proposed high-level questions with sub-questions across all evaluations. The aim of these questions is to comprehensively evaluate the MAGC programme. The table below shows how each question may be evaluated; however, bidder should suggest and confirm in their bids how they would propose addressing the questions posed.

Table 6: MAGC Evaluation Questions





An example list of sub-questions/indicators which may be relevant across the different programme components is provided below each question. The full list of questions and sub questions, as well as a final decision on which sub-questions/indicators will be addressed across different country tiers will be refined by the Supplier - in consultation with BEIS - in the Scoping phase, although we ask Bidders to set out their proposed approach in their submissions. BEIS reserves the right to add or remove indicators for each research questions with the Supplier in the Scoping Phase. Bidders should detail in their proposal if they have initial comments on these research questions and sub questions including the feasibility of addressing these within the available time and budget.

3.7. Phase 1a - Process Evaluation

Question 1 focuses on process evaluation of how the MAGC programme has been managed. It is investigated at the programme level (Tier 0).   
• Question 1: To what extent, and in what ways, has the management approach agreed with the Delivery Partner been appropriate and effective for MAGC? (Aspects to focus on: Investment and Advisory administration agreements achieving its purpose, MAGC’s performance management process, delegation of funds, reporting, decision-making, governance structure, delivery, and management of aspects of the programme that are unique to ICF (EDGE and Research and Evidence Programme), Covid-19 pandemic, etc.).   
Questions 2 and 3 focus on the design of MAGC and its effect on the programme objectives. Sub-questions can be addressed partly in the process and partly in the outcome/impact evaluation. These questions will be investigated at the programme level (Tier 0).   
• Question 2: To what extent are the results mechanisms illustrated in the Theory of Change (ToC) of MAGC (Annex A) accurate? (Aspects to focus on: indicators and results alignment to ToC, effectiveness of MAGC four-pillar approach and pillars interactions, additionality to the green buildings country-markets leveraging private finance, catalysation of additional investments for green buildings through demonstration effects, etc.)   
• Question 3: How effective are the choice of countries/projects in fulfilling MAGC’s objectives and supporting the UK’s International Climate Finance strategy? (Aspects to focus on: breadth vs depth of the programme, country selection and prioritisation, country green buildings markets likely to transform, whether UK investment in green buildings understood and valued by in-country stakeholders (e.g., recipients, government, UK embassies), whether it has helped wider HMG diplomacy, trade-offs on pursuing the most transformational climate & social development capacity building projects vs projects with the most attractive market conditions & best return-on-investment, etc.)

3.8. Phase 1b - Early Outcome Evaluation

The research design uses the programme Theory of Change as its starting point and the evaluation questions specifically assess the validity of the proposed causal pathways. Questions 4 and 5 focus on analysing progress against the MAGC Theory of Change. The interim evaluation will focus on early outcomes. These questions are envisaged to be investigated in countries with substantial delivery (Tier 2), including deep dives (Tier 3), considering the effect of Covid-19 and delay in BEIS committing funds in some parts of the programme on the achievements to date of the programme. Given delivery of the MAGC Research component began later than the other three components, it will not be included in the interim evaluation.   
• Question 4: To what extent has MAGC achieved early outcomes as anticipated?   
4a, Blended Finance and Advisory Services to FIs. To what extent, and in what ways, has MAGC as well as non-MAGC finance for green buildings been mobilised at the rate expected? (e.g., enablers and barriers, appropriateness of level of MAGC concessional finance to maximise the impact whilst minimising subsidy, usefulness of the Advisory Services package for FIs, etc.)   
4b, Capacity building. To what extent, and in what ways, has capacity building at the country level to support green constructions been successfully strengthened? (e.g., increase in green building stock, in which circumstances (e.g., types of buildings, tenure, geographies, other factors), etc.)   
4c, Green building Certification. How well understood are certified green buildings by in-country stakeholders? How valued are they? (e.g., EDGE certification platform contribution to improvements in construction standards, countries with more/less penetration and why, etc.)   
• Question 5: To what extent is impact/transformational change likely to be achieved? (e.g., early evidence of transformational change, in which areas more effective and why, etc.)

3.9. Phase 2 – Final Outcome and Impact Evaluation

Questions 6 and 7 focus on analysing progress against the MAGC Theory of Change. The final evaluation focusing on outcomes and impacts. These questions are envisaged to be investigated in all 24 MAGC countries (Tier 1), including deep dives (Tier 3).   
• Question 6: To what extent has MAGC achieved outcomes as anticipated?   
6a, Blended Finance and Advisory Services to FIs. To what extent, and in what ways, has MAGC as well as non-MAGC finance for green buildings been mobilised at the rate expected? (e.g., enablers and barriers, appropriateness of level of MAGC concessional finance to maximise the impact whilst minimising subsidy, usefulness of the Advisory Services package for FIs, etc.)   
6b, Capacity building. To what extent, and in what ways, has capacity building at the country level to support green constructions been successfully strengthened? (e.g., increase in green building stock, in which circumstances (e.g., types of buildings, tenure, geographies, other factors), etc.)   
6c, Green building Certification. How well understood are certified green buildings by in-country stakeholders? How valued are they? (e.g., EDGE certification platform contribution to improvements in construction standards, countries with more/less penetration and why, etc.)   
6d, Research. How useful have the research outputs so far been, both in terms of findings and awareness from relevant stakeholders? (e.g., improvements in better understanding of certified green construction)   
6e, Process. To what extent has the programme adapted in response to the Process evaluation findings? What have the implications been to reach anticipated outcomes?   
• Question 7: To what extent has impact/transformational change been achieved/is likely to be achieved? (e.g., intermediate, or longer-term evidence of transformational change, in which areas more effective and why, etc.)

3.10. All Evaluations - Value for Money assessment   
Question 8 covers value-for-money (VfM). This question will be investigated at the programme level (Tier 0). Following the 4E value-for-money framework (Economy, Efficiency, Effectiveness, and Equity), it will assess each of the four main MAGC programme components (Blended finance, Advisory services, EDGE, and Research) against the 4Es. Specific sub indicators will need to be looked at within each of the 4E categories, thus considering different aspects of economy, efficiency, effecttiveness, and equity of the programme in relation to programme results.   
• Question 8: To what extent is MAGC investment providing Value for Money for HMG?   
8a, Economy. To what extent does the programme manage resources economically, buying inputs of the appropriate quality at the right price? (e.g., encashment schedule, in-house vs contracted staff for each component, due diligence procedures in place in managing spend and cost drivers, financial reporting, and oversight, etc.)   
8b, Efficiency. To what extent does the programme produce the intended quality and quantity of deliverables (outputs), within the available resources? (e.g., technical efficiency – time and budget, Allocative efficiency – programme resource allocation, Dynamic efficiency - learning and adaptive management), Programme and Risk Management, etc.)   
8c, Effectiveness and Cost Effectiveness. To what extent does the programme achieve its intended outcomes and impact, and this is deemed sufficient relative to the inputs invested? (e.g., Cost-Effectiveness – advisory-service leveraging business development, outcomes and associated costs meeting expectations, KPI 15 – Transformational Change, scale of emissions reductions vs resources allocated, technical cost per tonnes in MAGC investments to date in line with other concessional investments in ICF programmes, co-finance ratios (total, public, private), evidence of wider mobilisation and market take up in the Green Building sector aligned with the programmes ambitions - indirect Finance mobilised, FIs engaged in Green Building investments, IFC or FI investments not supported through MAGC, etc.)   
8d, Equity – (learning question for future programmes – not part of the evaluation. See also Q9 below). Considering that the Theory of Change of MAGC does not include Equity considerations, in which instances did the Delivery Partner achieve or not additional benefits for women, low income or disadvantaged groups through the MAGC Programme? (e.g., percentage of increased capacity of relevant groups through capacity building and research programme, distribution of investments by country income level, contributions to Sustainable Development Goals (SDGs), etc.)

3.11. All Evaluations - GESI:   
Question 9 covers Gender Equality and Social Inclusion (GESI). This is a learning question, not an evaluation one, and will be investigated at the programme level (Tier 0) and in MAGC deep-dives countries (Tier 3). ICF is committed to continue to scale up climate solutions that put equality of opportunity and human rights into action. Although GESI does not form part of the MAGC’s theory of change or the original programme objectives, we want to use the evaluation to learn where opportunities arose to address GESI in MAGC delivery, and were the programme missed opportunities. The aim of this question is not to evaluate the Delivery Partner on this but to learn and inform the future design of other ICF programmes. Although these questions are overlapping with the Equity section of the VfM questions above, they are listed also separately as they are relevant for all the evaluations requested (not only for the VfM evaluation).   
• Question 9: What opportunities did arise or were missed during MAGC delivery on Gender Equality and Social Inclusion (GESI)? How could we address GESI in future programmes design? (e.g., GESI opportunities in MAGC, lessons learned in MAGC for implementation in similar programmes, how/if measures apply in different country contexts, etc.)

4. Scope of Evaluation

4.1. Methodology and Approach

We expect bidders to propose a fully developed evaluation approach, and methodology and approach for data collection and data analysis to answer the proposed questions. We anticipate the methodology may include the elements proposed below. We welcome bidders’ alternative suggestions if the validity of these can be evidenced. However, each bidder must only submit one final methodology and must not submit a number of options. All bids must fit within the indicated budget, timeline, and output criteria, regardless of methodology.

4.2. Suggested Approach

To ensure a full assessment of process, impact, and value-for-money, we expect the Bidder to propose and develop an evaluation approach which is suitable for assessing the impacts, among other things, of technical assistance and blended finance programmes, such as MAGC. BEIS anticipates that a theory-based evaluation (instead of an experimental or quasi experimental approach) may be most appropriate for assessing MAGC outcomes and impact, as understanding why and how the observed results were achieved is key to addressing BEIS identified evidence gap. A theory-based evaluation allows for a mixture of quantitative and qualitative methods and aims to assess the contribution of the programme to its intended outcomes and impacts. Bidders should set out their recommended evaluation approach weighing up the pros and cons of alternative approaches, including the range of potential theory-based approaches. This should draw on the Bidder’s knowledge and experience and should be sensitive to the particular challenges of evaluating technical assistance and blended finance for climate mitigation as well as green buildings finance.

4.3. Stakeholders

We envisage the following non-exhaustive list of stakeholders should be considered when conducting interviews:   
• IFC - the delivery partner (private sector facing arm of the World Bank), including the operational teams (Blended Finance, FIG, Country Level/EDGE AS and research lead) and IFC country offices where relevant.   
• Financial Intermediaries (FIs) in MAGC countries.   
• Construction and Housing Developers, EDGE certification partners (and other sector relevant organisations where relevant) in MAGC countries.   
• UK Embassies and – where relevant – public policy makers, industry associations, universities, and other relevant stakeholders in MAGC countries. We anticipate that some stakeholders, such as FIs, can be difficult to engage. Bidders should propose an effective approach to ensure key stakeholders participate in the evaluation and how they will mitigate against this delivery risk in terms of potential data gaps in the event of poor responses.

4.4. Data collection methods

We envisage the following non-exhaustive list of data collection methods may be required:

• Desk-based review of programme documents, reporting and existing literature.  
• (Online) stakeholder interviews with delivery partners, stakeholders, beneficiaries.   
• (Online) surveys with delivery partners, stakeholders, beneficiaries.   
• Workshops with the programme team (BEIS and the delivery partner IFC).   
• Site visits of selected Green Buildings projects that have received MAGC investment.

Given that some of these methods may rely on site visits and on in-person interaction, it is expected that (travel restrictions permitting) some travel will be required to complete the activities presented in the scope of work. As the Department leading on Net Zero, BEIS is also keen to ensure that all travel under this contract is essential and that, where possible and practical, the most economical and lowest emitting forms of travel are used. Hybrid models of working that can demonstrate an appropriate balance of travel and other methods to achieve the project’s goals are welcomed. Please refer to the Travel and Expenses section of the ITT and relevant attachments for details of allowable travel expenses and the requirements for claiming these.

4.5. Proposal Requirements

Bidders should set out the evaluation strategy they will take to ensure a full assessment of process, outcome/impact, value-for-money and GESI of MAGC, highlighting what specific methodology they think will work best, why, and any pros and cons to different approaches. There is an expectation that, in their bids, tenders will explain their approach to triangulating and synthesizing multiple strands of evidence, how they will make sense of contradictory evidence. This is particularly important for this evaluation with lots of strands, different data collection activities and timeframes, and different geographies. Bidders should also set out in their tenders how they intend to collect, where possible, and analyse data on GESI. As mentioned above, GESI is not part of the MAGC Theory of Change/log frame/ results framework and any results may be unintended, and we therefore anticipate that it will be challenging to collect data/data may be incomplete. When available, IFC has committed to share related data to enrich the GESI narrative and inform future programme design. GESI will be investigated for learning purposes looking at it, where possible, both at the programme and deep-dives level. We would like bidders to propose an effective approach to this and explain how it will add value, including how lessons for similar programmes could be taken forward, and how GESI measures might apply in different country context. We anticipate a range of outputs will be required in the evaluation; the Evaluator should produce summary reports for each phase of the evaluation. We welcome bidders’ additional suggestions if the validity of these can be evidenced.

4.6. Activities

Please see Table 7 for an indicative timeline.

4.7. Scoping Phase

A scoping phase will be necessary to prepare detailed plans in collaboration with BEIS and the Delivery Partner as well as refining proposals made during the bidding process, including mapping of stakeholders and existing data and evidence. We are open to suggestions around the best approach to this, although we envisage the following activities should be undertaken.

1. Produce a Scoping Report   
a. Review of core documents and ensure they are referred to as needed throughout the evaluation, including: MAGC business case; administrative arrangements; annual reviews; HMG’s International Climate Finance Strategy.   
b. Undertake a short rapid evidence review to see what existing data there is, what data is already captured in the log frame, and what data will be available from the delivery partner.   
c. Review M&E indicators: review the MAGC theory of change, log frame, results framework and disaggregated data of the results framework that have been developed up to now and work with the programme delivery partner to understand the details or queries. These documents are our best understanding at present on how MAGC works. The Supplier will be able to provide recommendations for improvements or changes to these in the Interim evaluation. Working sessions with IFC and BEIS might be a useful way to work through the potential revision of these documents in the Interim evaluation to ensure buy-in from all parties.   
d. KPI Approach and Methodology review: The programme has a monitoring framework (log frame – including baseline for indicators) managed by IFC and reports against portfolio KPIs 6, 11 and 126. Separately, BEIS has developed a draft KPI 15 methodology to assess likelihood of transformational change (using a scale from 0 to 4). The evaluation should work with, and feed into, IFC monitoring activities, assessing the success of the KPI indicators, and adding value to the results already collected by IFC. During the scoping phase, the supplier will review the draft ICF KPI 15 methodology and the specific indicators that have been developed for it. This may involve a workshop with BEIS programme leads, analytical staff, the delivery partner, and other relevant stakeholders. The Supplier will be able to provide recommendations for improvements or changes to the KPI15 methodology in the Interim evaluation.   
e. Prepare a detailed workplan for delivering the evaluation work, which will outline the final delivery approach and timelines for planned evaluation and learning activities up until 2026/27. This plan should include refined evaluation questions that have been tested for viability and country scope, research and learning activities, methods and outputs, timeline, a risk register, and propose the frequency of interaction with BEIS at all stages of the contract.   
i. Update the management plan which will outline how the Supplier will ensure that programme activities are delivered to an acceptable quality and outline the ways of working with BEIS and the Delivery Partner.   
ii. Update the budget breakdown and financial forecast for all planned MAGC evaluation activities over a four/five-year timeframe, broken down according to activity per quarter.[[79]](#footnote-80)

Update and refine the gender, equality, and social inclusion (GESI) assessment approach, outlining how gender and inclusion issues will be addressed in the evaluation, taking into consideration the limits of data which data IFC is able to provide to this purpose.

2. Coordinate work with the Delivery Partner and BEIS   
a. Coordination with the Delivery Partner: Implement an agreed protocol to coordinate work with BEIS and the Delivery Partner, with clear responsibilities and timelines. This will include setting out how the Delivery Partner will feed into evaluation work, including data sharing agreements and a reporting schedule. BEIS will lead on establishing a 3-way MOU between all parties on the principles of working together and information sharing, with detailed implementation of the MOU led by the Supplier.   
b. Ensure robust ethical standards: Develop protocols (e.g., ethics forms) to ensure that all participants give informed consent to participate in research activities. Bidders should propose plans on how such standards will be maintained and checked throughout. These will be set up and refined in the scoping phase. We suggest the Supplier should as a minimum organise a workshop with BEIS and the Delivery Partner once a workplan has been drafted to ensure its feasibility and to agree and gain buy-in to the final planned approach.

4.8. Interim Evaluation

The interim evaluation will consist of three parts:

1. A Process Evaluation This evaluation will aim to inform strategy and governance at the programme level as well as programme design (Tier 0 of proposed country approach – see Specification of Requirements, Section 3). We are open to suggestions around the best approach to this, although we envisage this component evaluating: a. the appropriateness and effectiveness of the management approach agreed with the delivery partner. b. appropriateness and effectiveness of the team, reporting, governance structure within and across BEIS and the Delivery Partner. c. how well unique aspects of the programmes (e.g., EDGE and Research) have been delivered and lessons learned. d. how the design of MAGC affects the programmes objectives e. how Gender Equality and Social Inclusion can be designed in future similar programmes. Findings should be presented in an evaluation report, which includes a section summarizing recommended improvements based on evidence, and a technical annex. All raw data and materials should be provided to BEIS. We suggest that a learning workshop should be organized with BEIS and the Delivery partner to present the findings and decide how to best proceed for the rest of the programme delivery, but we are open to alternative suggestions.

2. An evaluation of MAGC early outcomes

This evaluation will aim at improving the ongoing delivery of results effectively and learn for future similar programmes, by evaluating progress. It will examine the extent to which programme early outcomes are being achieved and provide a light-touch assessment of the extent to which future achievement of outcomes, impacts and transformational change is likely and realistic. We want to understand to what extent, and through what activities, MAGC is contributing to the achievement of early outcomes. We are open to suggestions around the best approach to this, although we would like this to include at least the following two components:   
a. Assessment of progress in some selected participating countries, using relevant evidence to review achievement of programme outputs and interim outcomes. This may include interviews and surveys with FIs, Developers, and, where possible, public policy makers, industry associations and universities for each of the four MAGC components. The Delivery Partner will be able to provide some information/contact details for this. We envisage data to be collected at the Tier 2 level of the proposed country approach (see Specification of Requirements, Section 3). Findings should be presented in a detailed evaluation report, which should recommend any improvement to programme delivery based on these findings, plus a technical annex. All raw data and materials should also be provided to BEIS.   
b. In-depth analysis of progress in ‘deep dive’ countries (Tier 3 of proposed country approach, see Specification of Requirements, Section 3). We are open to suggestions around the best approach to this, which may involve but not be limited to a greater quantity and range of qualitative interviews, or further political economy analysis or desk-based research. It may also involve site visits to a sample of the projects that have received investment. Findings should be reported as separate interim country-specific reports, including a technical annex. All raw data and materials should also be provided to BEIS.

3. A value-for-money interim evaluation.

This evaluation will assess indicators of economy, efficiency, effectiveness, and equity of the programme in relation to programme results for each of the four main MAGC programme components (Tier 0 of proposed country approach, see Specification of Requirements, Section 3). Findings should be presented in a VfM interim programme report, plus a technical annex. All raw data should also be provided to BEIS. A shorter synthesis report will bring together key learnings from across the country deep dives as well as key findings from the programme level and lighter-level evaluation works across other MAGC countries.

4.9. Interval period

There will necessarily be a quiet interval period between the interim and final evaluations (likely 18 – 24 months). During this period, we anticipate that the Supplier will need to keep in touch with BEIS and the MAGC programme by:   
• Attending Steering Group meetings once per year (half day per year)   
• Engaging in a number of relevant events, minimum 3 over this period. We suggest learning workshop(s) should be organised with BEIS and the Delivery partner to make sense of the findings, support understanding and embedding into the programme where feasible from the interim evaluation and decide how to best proceed for the rest of the programme delivery, but we are open to alternative suggestions. Bidders should detail any other proposals for staying in touch during this period and the value of this to delivering the Evaluation. Bidders should also detail mitigation measures for knowledge retention and handover during the interval period phase.

4.10. Re-Scoping phase.

Before undertaking the final evaluation, a short re-scoping phase will be required, working with BEIS and the Evaluation Partner to update the Scoping Report, considering the results from the Interim evaluation as well as any adaptation required (e.g., change of priorities, delays in the programme delivery, etc.). We are open to suggestions around the best approach and timeline for this.

4.11. Final Evaluation.

The final evaluation will build on the interim evaluation. We are open to suggestions around the best approach to this, although this should include at least the following two components:

1. An evaluation of MAGC outcomes/impact

The final evaluation will systematically assess the MAGC contribution to its outcomes and impacts as set out in the Theory of Change, and evaluate to what extent, and through what activities, the programme has or is set to achieve transformational change in the countries it works in. It will also include a GESI assessment for learning purposes. The final evaluation report will be published and used to inform decisions about whether to extend the programme, or on the design of future ICF programmes. As per the interim evaluation, the final evaluation should include at least the following two components: a. Assessment of countries where MAGC activities have happened (Tier 1 of country approach, see X), using relevant evidence to review achievement of MAGC outcomes and its long-term desired impact. b. In-depth analysis of progress in the ‘deep dive’ countries (Tier 3 of country approach, see X) included in the interim evaluation. Although there will be room in the re-scoping phase to assess whether the choice of deep dive countries should be revisited. Findings should be presented in a detailed evaluation report, including programme specific recommendations that can be used to inform other ICF programmes and a technical annex, plus separate country reports. All raw data and materials should also be provided to BEIS.

2. Value for money assessment.

This evaluation will undertake a full value for money assessment at the MAGC programme level (Tier 0), using an established and robust framework, such as the 4E Value for Money framework, for each of the four main MAGC programme components. Findings should be presented in a VfM programme report and a technical annex. All raw data and materials should also be provided to BEIS. A shorter synthesis report will bring together key learnings from across the country deep dives as well as key findings from the programme level and lighter-level evaluation works across the other MAGC countries. We suggest a presentation should be organized with BEIS and the Delivery partner to present the findings from the final evaluation, key achievements and lessons-learnt from all strands of the evaluation, but we are open to alternative suggestions.

4.12. Learning and Dissemination

Learning and dissemination is an important part of this contract. The Supplier will be responsible for disseminating learning and encourage implementation of suggested ways of improving (for MAGC and ICF programming more widely) based on its evaluation activity throughout the whole length of the contract. Dissemination of lessons learned across government and the wider community is also vital. This should be undertaken in coordination with the delivery partner, who is organising learning events to disseminate results of the research component of the programme. We are open to innovative suggestions around the best approach to this, although we would like this to include at least the following three components:   
1. Intra-programme team learning workshops as flagged in the interim evaluation phase, the Supplier will be expected to run learning workshops with BEIS and the Delivery Partner on both process and early/final outcomes/vfm findings.   
2. Cross Government learning events Undertake at least three webinars or in-person events across the UK government (including FCDO, Defra and BEIS) on specific learnings from the evaluation, spread across the duration of the contract.   
3. Disseminate findings externally Share findings from the MAGC interim and final evaluation, by proactively identifying (jointly with BEIS) dissemination opportunities through universities, research organisations and think tanks and other relevant channels. This should include presenting the evaluation approach/findings in at least two relevant conferences or events.

Bidders should propose their Learning and Dissemination plans. These, alongside relevant stakeholders’ identification, will be finalized with BEIS during the Scoping phase.

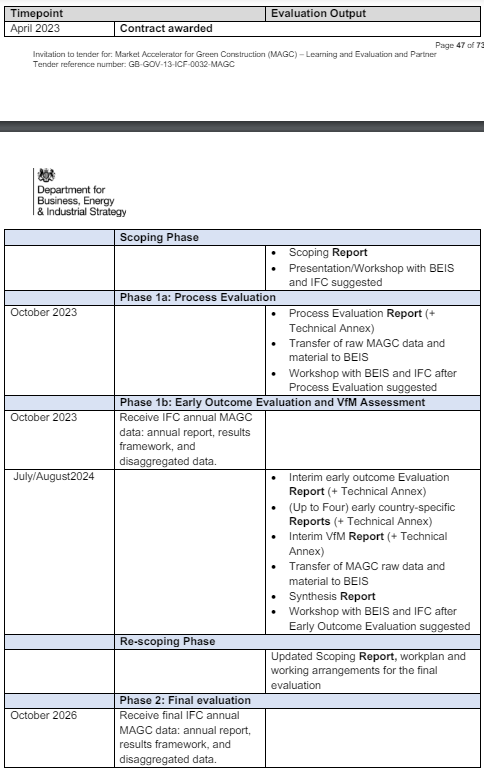
4.13. Closure Phase

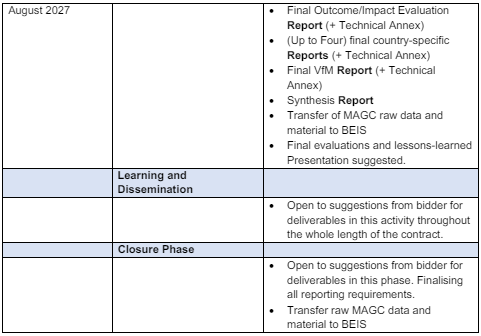
In the final months of the Contract, the Supplier will need to undertake all work required for the programme’s closure and a smooth completion of all activities. This must comply with the Terms and Conditions of contract and will involve the following tasks:   
1. Completing all deliverables and sharing all raw data with BEIS   
2. Finalising all reporting requirements.   
3. Transferring any MAGC evaluation materials which BEIS would need access to or ownership of if it were to re-tender the workstream, e.g., learning materials, reports, etc.

5. Timeline and Deliverables

A high-level summary of the Evaluation Partner’s deliverables, and deadlines are set out in Table 7 below. At a minimum, the Supplier will need to meet the deadlines as per the table below. Bidders should provide in their proposal an indicative delivery timeline, including tasks under each stage of delivery, to meet these timepoints. The final timeline will be agreed with the Supplier in the scoping phase, and via ongoing assessment of overall programme progress against the Supplier’s workplan. At a minimum, the Supplier will need to deliver the following outputs as per the table below. Whilst the provision of reports is a mandatory requirement to enable BEIS to fulfil its obligations as the donor for MAGC, within these outputs, bidders are encouraged to include innovative approaches to bring the findings to life (e.g., voxpop interviews, site-visit videos, dashboards, or other digital tools) and provide outputs that will support engagement with the delivery partner and the uptake of lessons and findings. If other outputs are suggested and accepted as part of the methodology of the Supplier, these will be added to this list for the contract. Bidders should outline in their proposal how they would present these outputs and how their suggestions will add value to BEIS and the MAGC programme. The final list of deliverables will be finalised in the contract and may be varied slightly in the scoping phase with the agreement of both BEIS and the Supplier. As BEIS aims to share learning for future programmes, all final reports will be published after being edited for commercial or political sensitivities. Presentations or, for example, the minutes of workshops will not be published. It is expected that the Supplier should agree with BEIS an outline of a deliverable’s content prior to it being developed in full. The Supplier is encouraged to share draft versions of the deliverables identified well before agreed deadlines, to ensure that they are of an acceptable quality and can be finalised in a timely manner.

Table 7: Learning and Evaluation Partner’s Deliverables Timetable





6. Governance

6.1. Governance Requirements

The Supplier will manage the evaluation workstream, while adhering to the requirements below. We welcome bidders’ alternative suggestions, if the validity of these can be evidenced, and bidders should show in their proposals how they will ensure appropriate management and coordination of their work in their proposals. The following governance requirements will apply to all phases:   
• Regular working-level delivery meetings to update on progress and deliverables, including presentation of a reporting dashboard against KPIs. These will take place weekly during the scoping phase and the frequency will be reviewed for the evaluation phase.   
• Biannual Evaluation Steering Group meetings (please see below). The Supplier will be expected to circulate minutes and actions from each of these meetings. It is expected that the Supplier will adhere to the programme management plan (see Table 5) and the evaluation deadlines (see Table 7), both of which will be finalised with BEIS in the scoping phase. Further, it is expected at the outset of each evaluation activity, the Supplier will review the delivery plan to ensure that it remains accurate and fit for purpose, and refine this as required, according to programme developments.

6.2. Governance Reporting Requirements

The following reporting requirements will be required in all phases:   
• Monthly working-level reporting dashboard. The content will be agreed with BEIS during the scoping phase but will include key risks, progress updates and forward look for each phase.   
• Biannual financial and risk reporting including breakdown of spend by workstream to accompany invoicing, projected spend for the next quarter and a copy of the evaluation risk register.

6.3. Working Arrangements

The successful Supplier will be expected to identify one named point of contract through whom all enquiries can be filtered. Both BEIS and IFC will assign Project Managers for the evaluation, and these will be the central point of contacts in their respective organisations. Please also refer to the contract management section of this ITT.

6.4. Coordination with BEIS

The BEIS programme team for MAGC has overall responsibility for, and ownership of, the programme and will manage the contract and relationships with the Supplier. It will include programme experts and analysts with different technical expertise, depending on the task at hand and it will have sign-off responsibilities on:   
• Decisions regarding final timeline for evaluation and reports/other delivery   
• Learning and Evaluation strategy and plan   
• Final reports   
• Agree publication process for MAGC evaluation reports We suggest the BEIS team will also have sign-off responsibilities on:   
• Draft reports for each phase of the evaluation   
• Surveys, questionnaires, interview topic guides and sampling strategies   
• Stakeholder lists and engagement plans BEIS programme team will commit to providing turnaround of comments within two weeks of receiving a document. Additional time may be required for EQUALS turnaround (please see below). Details on this will be agreed during the scoping phase. We also commit to holding no more than two rounds of comments on drafts received by the Supplier where those drafts are provided to a reasonably expected good standard. Documents that are substandard or substantially incomplete may require additional reviews and resulting revisions at the expense of the Supplier. A Steering Group (see below) will be set up, and chaired by BEIS, to inform key decisions. BEIS will conduct internal peer review throughout the project and will engage external peer reviewers at key stages. All research tools and sampling methodologies will be agreed, as part of approval of the (re-) scoping report by the Steering Group, and, ultimately, by BEIS. A full proposal of roles involved in the evaluation can be found in Section 6.7. BEIS programme team will have the right to publication of its comments as an annex to the evaluation reports – including differences of opinion, with clear references to it in the introduction and summary.

6.5. Coordination with the Delivery Partner (IFC)

The successful Supplier will access the relevant MAGC documentation through coordination and an agreement with the Delivery Partner. The current agreement between BEIS and the Delivery Partner ensures in broad terms that the Delivery Partner will engage with any future Evaluation Partner. The specifics of the ask from IFC will be linked to the final approach and methodology of the Supplier and should be agreed between the parties during the scoping phase. IFC has provided two rounds of comments to a draft of this specification and are in agreement with the objectives and overview provided. We expect IFC will be on the Steering Group and given opportunity to provide comments, not clearance, on both the draft and final reports at each phase of the evaluation as well as other key documents as required. During the Scoping phase, IFC will provide MAGC monitoring data to the Evaluation partner and will be able to provide contact details for up to 5/10 stakeholders for each MAGC programme component.

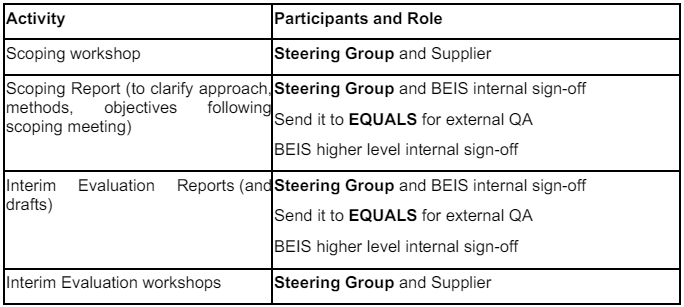
6.6. Evaluation Steering Group

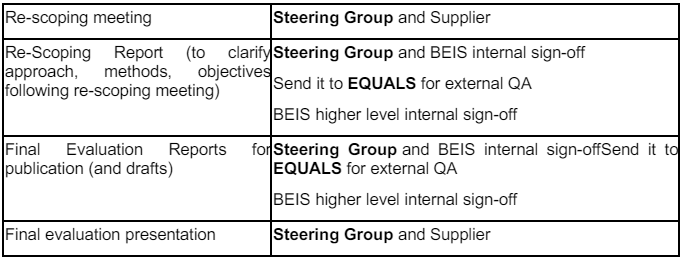
An Evaluation Steering Group will be set up to provide an oversight and advisory role for the evaluation. Whereas the BEIS Project Manager for MAGC will undertake the day-to-day management of the evaluation and hold the delivery contract with the Supplier, and the BEIS programme team for MAGC will have sign-off responsibilities, the Steering Group will provide input on all deliverables and regarding the application and appropriateness of evaluation methodology within the context of the programme. Members of the Steering Group will be BEIS and IFC representatives responsible for supervising different aspects of the programme. It is expected that the Supplier provide senior representation to meet with the MAGC Steering Group four times per year, when evaluation work is happening. Meetings with the Steering Group may be less frequent during the gap between the interim and final evaluation phases, at a minimum this will be once per year. This will be agreed with the Supplier during the scoping phase. The Steering Group will advise on several things, including but not limited to:   
• Defining the research sub-questions in the scoping phase and own the suggestions of countries for deep dives. BEIS will have final say over IFC in the event of a disagreement.  
• Commenting on, checking and challenging, the scoping, interim and final evaluation reports, including drafts. BEIS will have final say in the event of a disagreement.   
• Participate in workshops discussing programme improvements recommendations/ implications of findings.   
• Participate in ‘lessons learnt’ presentations. The Steering group will gather ad hoc feedback from other internal experts and, where appropriate, external experts. In reviewing draft and final evaluation reports, the Steering Group may choose to draw on:   
• The expert advice of the UK’s external Evaluation Quality Assurance and Learning Service (EQUALS), which includes external experts such as academics, to help ensure that products conform to Development Assistance Committee (DAC)-agreed international evaluation principles, quality standards and best practice (including independence).   
• Expert advice from wider BEIS colleagues, to ensure the relevance of the questions for the evaluation aims, the appropriateness of the detailed methodological approach defined in the scoping phase, the rigor of the analysis, validity of conclusions.

6.7. Process for the Evaluation and Roles at Each Point

This table is indicative of the suggested participants and roles at each phase of the evaluation. We welcome bidders’ alternative suggestions if the validity of these can be evidenced.

Table 8: Evaluation Roles





7. Team Structure, Skills, and Expertise Requirements

To deliver the Contract successfully, the Supplier will need to demonstrate that they have the right team structure, skills, and expertise to deliver the methodology proposed. Guidance on each of these categories is given below.

7.1. Team Structure Essential

• A clear operating structure is provided which explains the roles, responsibilities, and reporting lines for each member of the evaluation partner team.   
• Suitable contingency measures are in place should the project team change, giving BEIS confidence that this risk would be managed without negatively affecting to programme delivery.   
• An appropriate balance of junior and senior time on the project, ensuring enough strategic oversight but also that resources are used efficiently to successfully deliver all the objectives. Desirable   
• Named resources are provided to deliver tasks, and where individuals are not identified nor CVs provided a clear justification is provided, as well as a role description against which new joiners to the team will be assessed.   
• The Supplier will use experts who are currently based in some of the countries in which MAGC operates – ideally those suggested for deep dive case studies - to ensure that the evaluation can fully understand the local context of the programme. If named experts are not available at the time of bid the Supplier should state clearly how they will access local knowledge and context.   
• If applicable, how a consortia team would work across organisational boundaries to ensure a seamless experience for BEIS as the client and other key stakeholders in the evaluation. 7.2. Skills

The essential skills required by the project team are cut across four broad areas:   
ODA evaluation expertise; private/public sector finance expertise; green buildings expertise; and gender, equality & social inclusion (GESI) expertise. Within these areas there are specific skills that the project team will need to demonstrate at some level, with a desirable in-depth knowledge on some/all the areas below to support the methodology proposed.   
• Theory-based evaluation. We suggest a theory-based evaluation is used. Although we are open to alternative suggestions if these can be evidenced, these suggestions need to come from a perspective of understanding and expertise of theory-based evaluation. Bidders will need to demonstrate key skills around this.   
• ODA Evaluation expertise. Ideally this would be in evaluation of International Climate Finance programmes (IFC), with bidders able to demonstrate key skills around: effective scoping and framing of evaluation; delivery of bespoke/innovative methodologies; adding value through learning activity; relationship management with multilateral agencies and in-country stakeholders; clear and concise reporting on complex programmes.   
• Private/Public sector finance expertise. MAGC is intrinsically a green finance programme, using concessional finance to deliver its objectives in the green buildings sector. Bidders will need to demonstrate a solid understanding of private and public sector finance to help evaluate: the effectiveness of different financial instruments (e.g., performance-based incentives, concessional loans); where – and how - public sector finance has successfully accelerated the market; the role of different stakeholders in investments, and their role in achieving MAGC’s desired outcomes; the effectiveness of technical advisory services provided to financial institutions.   
• Green Buildings sector expertise. To effectively assess the impact of MAGC, bidders will need to really understand the green buildings sector. In particular, bidders will need to demonstrate: understanding of the policy and market barriers to green buildings (and associated results in energy efficiency/renewable generation/water consumption); ability to review market maturity assessments and assess whether MAGC has successfully influenced target markets; awareness of definitions of green buildings and how standards can vary in each country; understanding of the role of certification in increasing green building stock globally, and how EDGE certification fits within this.   
• Gender, Equality and Social Inclusion expertise. The team will need to be able to review the programme through a GESI lens, whilst recognising that this is not part of the agreed aims/theory of change/log frame for the programme, and there might not be significant data to analyse. The skills needed will include the ability to: review MAGC investments for evidence of co-benefits for GESI and climate mitigation; consider the design and implementation of the programme to learn lessons for how similar programmes could include GESI in their design.

7.3. Team Experience

The delivery team will need to demonstrate it has the right experience. It would be particularly helpful to have:   
• Evidence of – and lessons learned from - previous experience from similar evaluations undertaken.

Experience of working with UK government departments and the ability to work collaboratively and flexibly with them to deliver agreed outputs.   
• Experience of working internationally with a wide range of public, private and third sector stakeholders. • Experience of working with and access to local knowledge in the MAGC eligible countries to support the evaluation in general. Higher marks will be rewarded to those with evidence of working in the Tier 3 countries (specified in Section 3.5).

8. Programme Management Requirements

8.1. Evaluation Contract Financial Management

To financially manage the evaluation contract, the following actions are requested:   
• Draft and report against annual budgets, at agreed levels of detail, and conduct ongoing financial forecasting and reporting.   
• Set up and apply robust fraud and error risk management systems that alert BEIS to any fiduciary risk or potential misuse of ODA or public funds more generally.   
• Provide biannual financial, management and risk reporting across all programme activities for quarters where evaluation activity is taking place according to the agreed workplan.

8.2. Quality Assurance

The Supplier is required to produce and implement a quality assurance plan, and quality assurance measures should be factored into workplan timelines It is expected that the Supplier should share an outline of a deliverable’s content or engagement tool prior to it being developed in full. Please refer to the Governance section for more information on BEIS Quality Assurance approach.

8.3. Transparency

BEIS has transformed its approach to transparency, reshaping its own working practices and pressuring others across the world to do the same. BEIS requires suppliers (including the future Supplier for this contract) receiving and managing funds to release open data on how this money is spent, in a common, standard, re-usable format and to require this level of information from immediate sub-contractors, sub-agencies and partners. The results of the programme’s Annual Reviews will be published as part of this transparency effort, in full or in part. It is a contractual requirement for the Supplier to comply with this, and to ensure they have the appropriate tools to enable routine financial reporting, record keeping, publishing of accurate data, and providing evidence of this to BEIS.

8.4. Gender, inclusion, and equality

One key consideration in the design and delivery of this programme, as with all UK ODA programming, is the extent to which it complies with the Gender Equality Act (GEA) 2014. The GEA applies to all ODA programmes and makes consideration of gender equality a legal requirement. This means MAGC, and in particular the MAGC evaluation, needs to meaningfully consider the impact of an intervention on gender equality and demonstrate that it has done so before intervention goes ahead. The process of compliance needs to be integrated within bidding proposals, programme design and supported activities/projects. BEIS requires compliance with the GEA as a minimum. The Supplier must ensure that the principles of the UK’s Public Sector Equality Duty, including but not limited to marginalised groups, are applied to all decisions regarding personnel throughout the delivery of this programme. See annex D for more information on GESI.

8.5. Risk appetite, fraud, and corruption

BEIS has zero tolerance to fraud and corruption (including potential conflicts of interest). BEIS also has very stringent requirements regarding safeguarding of anyone who might be affected by MAGC or the MAGC Evaluation. For more information, please refer to BEIS ICF Code of Conduct provided in Annex J.

8.6. Whistleblowing

If during the evaluation you find any risk of wrongdoing by the MAGC programme or an associate of the programme, or any safeguarding complaints or incidents, these need to be reported to the BEIS ICF PMO immediately. In the first instance please report to the BEIS programme lead will pass it on to the safeguarding lead. If it is inappropriate to raise concerns of misconduct or you do not feel comfortable reporting to the MAGC programme lead, you should report it to the BEIS ODA Reporting Concerns inbox at odasafeguardingconcerns@beis.gov.uk. Whistleblowing is taken very seriously; BEIS treat every issue with the utmost importance and every issue will be investigated as a matter of urgency and will be kept confidential. Please email odasafeguardingconcerns@beis.gov.uk for any whistleblowing concerns. BEIS will follow up safeguarding reports and concerns according to policy and procedure, all while respecting any legal and statutory obligations, including ensuring the relevant authorities have been informed within 24 hours. We will take the appropriate action based on the outcome of the investigation. We will work with the programme and delivery partners to ensure that the appropriate disciplinary actions are applied to those found in breach of policy.

8.7. Ethics and Safeguarding

BEIS expects the Supplier to adhere to the following Government Social Research (GSR) principles when conducting any research or related activities:

Sound application and conduct of social research methods and appropriate dissemination and utilisation of findings   
• Participation based on valid consent   
• Enabling participation (making sure that barriers to the participation of marginalised groups are addressed in the design of the research)   
• Avoidance of personal harm   
• Non-disclosure of identity and personal information

Compliance with these principles is a mandatory requirement and any omissions or noncompliance will be considered a performance issue and in serious cases may be considered a breach of contract.

8.8. Data processing

The Supplier will be compliant with the Data Protection Legislation, as defined in the Contract, and in existing agreements between BEIS, IFC and its clients. A guide to the General Data Protection Regulation (GDPR) published by the Information Commissioner’s Office can be found here. The only data processing that the Supplier is authorised to do is listed in the Contract Terms and Conditions. BEIS and IFC will work with the Supplier during the scoping phase to refine and agree the GDPR table, and this will then be monitored during the lifetime of the contract.

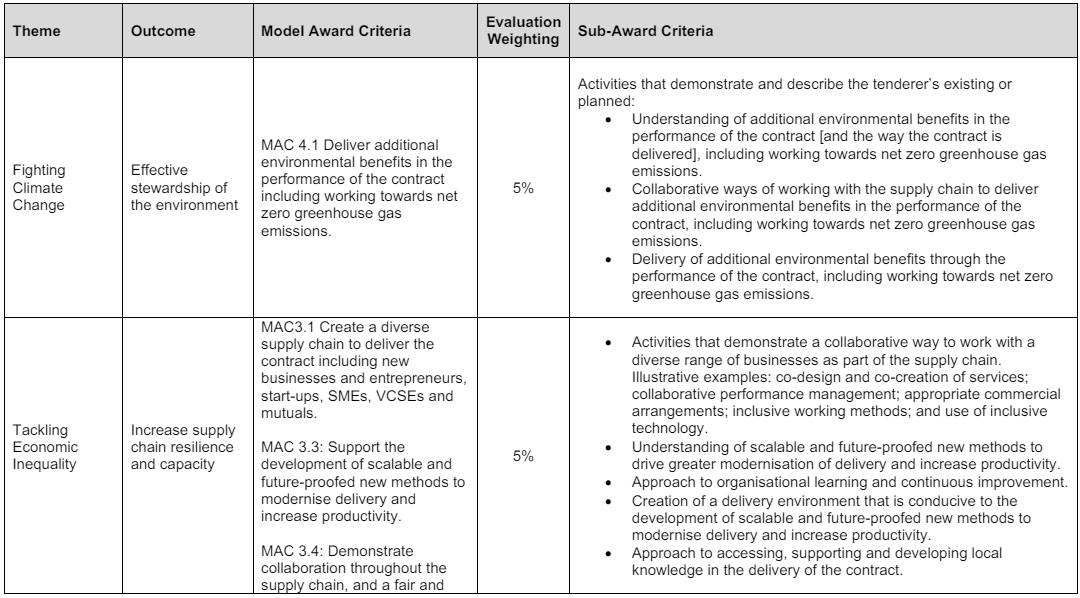
8.9. Transfer of Knowledge to BEIS, Business Continuity and Disaster Recovery Process

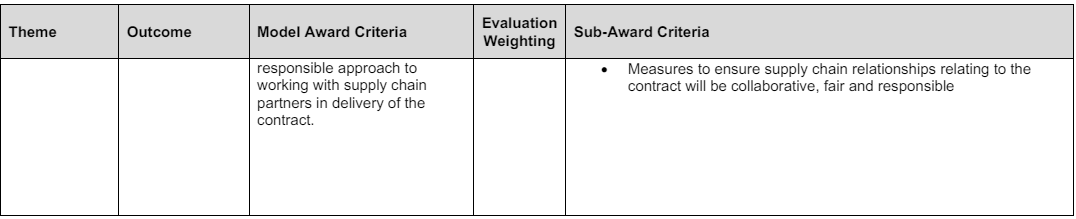
The Supplier is required to set out how they will facilitate the effective transfer of knowledge to BEIS during programme closure. This includes the use and provision of all data used for the services (subject to commercial confidentiality considerations) and the transfer of any MAGC evaluation documents (such as presentations, reports, and templates) for continued use by BEIS in any manner it chooses. Transcripts of all correspondences should also be returned to BEIS. This should also include provision for business continuity and or disaster recovery in the event of a known or unforeseeable event, for example COVID-19. Any data produced by the Supplier will be either securely destroyed or transferred back to BEIS at the end of the contract and stored by BEIS. This is to be agreed following the commencement of services.

9. Social value

9.1. Social value introduction

In addition to the aims, objectives and outcomes above, all UK Government projects are required to contribute to wider social value as an additional benefit of the contract. Social value is a broad term used to describe the wider social, environmental and economic effects of an organisation’s actions, and how they contribute to the long-term wellbeing of individuals, communities and societies. Social value is not just a policy requirement. Social value directly supports the mission of BEIS, BEIS International Net Zero and the MAGC programme. As such we expect our MAGC Evaluation Supplier(s) to mainstream social value in delivery of their work. Although the whole of the specification of the MAGC programme could be considered as contributing to social value, this element is specifically focussed on how the evaluation contract is delivered by the Supplier and is not about the evaluation methodology per se. Commitments on the inclusivity and benefits of the methodology should be included in the wider technical proposal. The eventual contract for the delivery of MAGC Evaluation will include KPIs relating to the delivery of social value commitments. Government policy requires that evaluations of proposals during the procurement process commit at least 10% of the marks to social value considerations. How this will be evaluated for this contract is detailed in Table 4. For the avoidance of doubt, social value is not a specific costed activity but is an added co-benefit of delivery and an approach to delivery that is expected of all BEIS suppliers. BEIS is now taking a consistent department-wide approach to social value mapped against BEIS’s departmental priorities. BEIS is interested in the following social value themes from the social value model.





9.2. Suggested social value KPIs

Theme: Fighting Climate Change   
Model Award Criteria: MAC

4.1 Deliver additional environmental benefits in the performance of the contract including working towards net zero greenhouse gas emissions.

Possible KPIs:   
• Percentage of carbon reduction (measured in metric tonnes carbon dioxide equivalents (MTCDE) across Scope 1, Scope 2 and Scope 3 by the supplier committed within the contract at a corporate level • Supplier committed to carbon Net Zero at a corporate level by an acceptable date.

Theme: Tackling Economic Inequality   
Model Award Criteria:

MAC 3.1: Create a diverse supply chain to deliver the contract including new businesses and entrepreneurs, start-ups, SMEs, VCSEs and mutuals.

MAC 3.3: Support the development of scalable and future-proofed new methods to modernise delivery and increase productivity.

MAC 3.4: Demonstrate collaboration throughout the supply chain, and a fair and responsible approach to working with supply chain partners in delivery of the contract. Possible KPIs:   
• Number of opportunities for local knowledge to be accessed in the delivery of the contract   
• Number of opportunities for local knowledge and skills to be supported and developed in the delivery of the contract

10. Commercial Arrangements

10.1. Available budget

The maximum available budget for this project is £1,000,000 GBP exclusive of UK VAT and taxes but inclusive of any overseas VAT and taxes. This includes all funds to cover the fees and expenses of the Supplier and its subcontractors to deliver the specification detailed in Table 7 above. Based on budget modelling and benchmarking, BEIS has a good sense of the expected costs of this programme to deliver. BEIS is looking for a budget that offers value for money and maximises the resources available to deliver the MAGC L&E. In broad terms the approximate budget ranges for each work package are as follows. Please note that these are indicative for guidance only and should not be treated as minimum or maximum budgets. Suppliers should develop their own budgets in line with their own assumptions for what the requirements will take to deliver and what offers value for money.   
• Interim Evaluation - £550,000   
• Final Evaluation - £450,000

Separate to the maximum budget the Authority will reserve a £100,000 contingency within the contract to cover the following: • Unforeseen circumstances or scope pressures particularly in the final evaluation noting that the results of the interim may alter the scope or focus of the final evaluation. • Potential inflationary pressures or cost increases between the interim and final evaluations for fees and/or expenses. The use of the contingency and modification to costs and budgets will be agreed with the Evaluation Partner in the rescoping phase prior to the final evaluation. Increases in costs must be justifiable and approved by BEIS and may not lead to an increase in the overall profit margin of the Supplier as provided at the time of bidding. Bidders should not include contingency or inflation considerations for the final evaluation in the proposed budget and please do not suggest modified day-rates for the final evaluation at this stage. Bids that are submitted that are overbudget will be considered non-complaint and will be disqualified. If bidders assert that the required scope is not possible to deliver within the available budget this should be raised as a question to the Authority and bidders should make clear which bits of the scope are not possible in any tender submission.

10.2. Commercial proposals

Bidders should complete and return Annex A; the budget template detailing the offered price for delivering the scope of work outlined above. This should include a breakdown of daily fee rates and numbers of days for each staff member or role as well as a breakdown of expenses and any other fixed costs. Suppliers must not include any financial or pricing information in their technical proposals. As such, the workplans requested in the technical proposal should include levels of effort (i.e., numbers of days) only. All budgeting, forecasting, reporting and billing from the Supplier to BEIS will be in GBP only.

10.3. Fee rates

Daily rates are not being capped as part of this tender. However, BEIS is looking for a budget that offers value for money and maximises the resources available to directly support the beneficiaries of MAGC. As such we expect daily rates and the appropriate balance of seniority of resources proposed to support this. Although the Authority is not capping day rates, any rate proposed over £1000 per day must be separately justified given this Contract is funded by UK Aid. 1

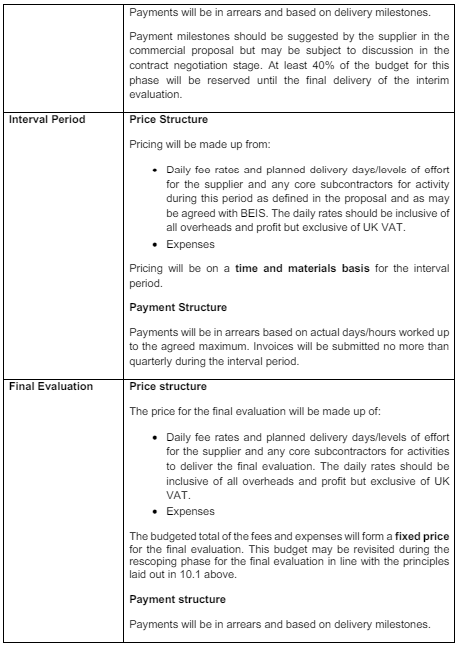
0.4. Expenses and fixed costs

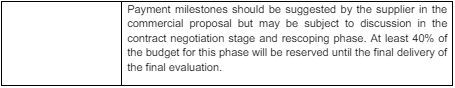
Expenses and other fixed costs incurred by the Supplier in performing the services are eligible costs under this programme. Eligible expenses including travel and subsistence that are compliant with the expenses policy attached to this ITT at Annex D will be reimbursed at cost and should be budgeted for by the Supplier. The expenses policy will form a schedule to the eventual contract. Exceptions to the expenses policy must be agreed in writing in advance with BEIS prior to any costs being incurred. Any costs at odds with the expenses policy that are not pre-agreed are incurred at the Supplier’s own risk.

10.5. Pricing and payment structure

The pricing structure for this contract is as follows:   
  
Table 10: Pricing Structure







Through the budgeting approach for MAGC MEL, BEIS is looking for transparency on what the programme costs to deliver and the overall profit margin being made on the programme. The overall profit margin will be declared in the commercial proposal, treated as a maximum and monitored over the duration of delivery. The Supplier shall declare the overall maximum profit margin anticipated over the lifetime of the contract and report the actual profit margin on an annual basis. This will be self-audited by the supplier, but BEIS reserves the right to request evidence if required. BEIS anticipates that the budget split for the various phases of work as received in response to this tender and reflected in the contract will be fixed for the duration of the contract period subject to revision in the rescoping phase. However, in line with agile contract management principles, BEIS expects the Supplier to actively manage the budget and discuss any concerns with regards to budget as soon as reasonably possible. Where, in the opinion of BEIS, there is a clear commercial and quality justification for reconsidering the budget split during the delivery period, changes to the budget may be considered and agreed.

10.6. Billing

Once a payment milestone is reached, a draft invoice will be submitted to the BEIS contract officer for rapid review. Following approval, a final invoice should be submitted for payment. Invoices will be submitted accompanied by such supporting documentation as may be agreed with the BEIS contract officer. This will include expenses breakdowns and supporting receipts. The Department aims to pay all correctly submitted invoices as soon as possible with a target of 10 days from the date of receipt and within 30 days at the latest in line with standard terms and conditions of contract.

10.7. Forecasting

The Supplier will be required to provide a forecast of spend of the budget in the commercial proposal. This will be updated following the scoping and rescoping phase if required.

10.8. Bid validity

Proposals including commercial proposals will be valid for a period of at least 180 days from the date of submission.

10.9. Due diligence

The preferred bidder will need to participate in, and satisfy, a Delivery Partner Review (DPR) carried out by a third party contracted by BEIS. This DPR is mandatory and will take place before contract signature. It will involve checks on the following areas. In the event that the supplier has other up to date due diligence with other relevant parts of HMG this may be used in part or instead of the DPR at BEIS’s discretion.   
Pillar 1 – Governance and Internal Controls: • Assessment of corporate governance structures in the organisation, responsibility, accountability, risk management, value for money (VfM) approach, assurance mechanisms, and policies and procedures. Background check to understand the ownership or control structure of the organisation. Data protection and cyber security Fraud and fiduciary risk management systems and processes.   
Pillar 2 – Ability to Deliver: • Human Resources – assessment of policies and procedures, and personnel capacity and capability to deliver the objectives of the arrangement. • Partner deliverability- assessment of capability and capacity to deliver the objectives of the arrangement, stakeholder engagement • Monitoring and evaluation processes and controls (both for internally delivered projects and those delivered through downstream partners). • Assessment of the partners capability and capacity to deliver the specific funded project, including an assessment of the recruitment protocols of relevant staff, performance and development processes, business continuity controls, stakeholder engagement and procurement practices.   
Pillar 3 – Financial Stability: • Analysis of financial management information and accounts to assess the financial health of the organisation, its utilisation of funds and reporting thereof. The section may look at key financial controls, how resources for the intervention will be used, the value for money (VFM) of any proposed arrangement and how any assets will be managed.   
Pillar 4 – Downstream Delivery: • Downstream partner selection and procurement processes. • Assessment of how the funded Delivery Partner conducts due diligence, contract and risk management, monitoring and evaluation, Fraud, Bribery and Corruption (FBC), communications, policies, and procedures of any downstream delivery involved in the delivery of the project. Pillar 5 – Safeguarding: • Assessment of policies and procedures safeguarding the human rights of vulnerable adults and children including protection from sexual exploitation, physical, sexual, or emotional abuse and neglect.

Partnership behaviour- Assessment of capacity to promote environmentally and socially responsible behaviours, including environmental risk management and gender equality, policies, and procedures. In the event that the preferred bidder cannot satisfy the DPR, BEIS reserves the right to move to the next highest scoring bidder.

10.10. Key staff

Key staff put forward for delivery in the Technical Proposal will be named in the contract. In the event that any of those key staff are changed during delivery, this may only be done with the prior agreement of BEIS after review and approval of the new individual’s CV.

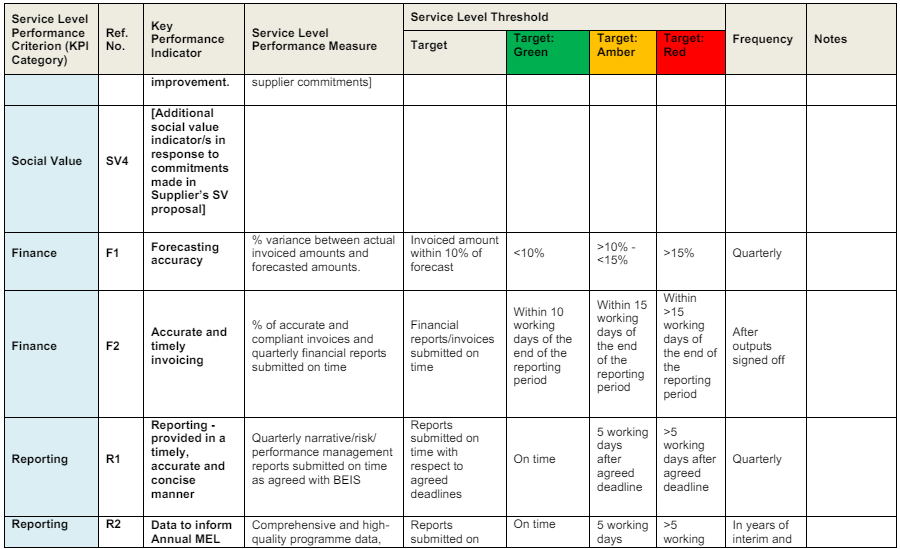
10.11. Supplier performance management

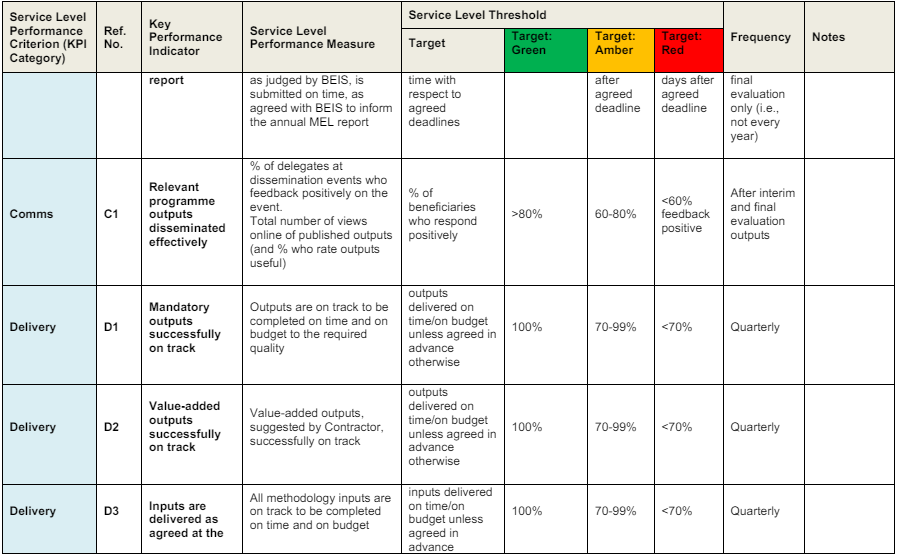
The successful supplier will be subject to the following performance management conditions and Key Performance Indicators (KPIs). Please note that this section of the ITT will form an Annex to the eventual contract. The MAGC L&E programme performance will primarily be measured and managed using Key Performance Indicators (KPI). The requirements of the relevant contract schedule will apply throughout service delivery. Table 11 below provides some indicative KPIs that will be finalised and agreed with the Supplier during the contracting stage. Key Performance Indicators (KPIs) or Service Levels will be used to align the Supplier’s performance with the requirements of the Authority. KPIs must be realistic and achievable, and have to be met, in order to demonstrate that the services are being delivered to an adequate quality. BEIS reserves the right to amend the existing KPI’s detailed below or add any new KPI’s. Any changes to the KPI’s will be agreed with the Supplier and, during delivery, be confirmed by way of a formal contract amendment. KPIs will be monitored on an at least biannual basis by BEIS and will be reported on each biannually. The Authority will reserve the right to request reporting of KPIs on a more frequent basis if performance levels would suggest increased monitoring is required. BEIS reserves the right to publish contract KPIs and performance against these in line with departmental and cross-Government requirements. Performance of each KPI will be recorded against a red, amber, green “score”, as described below, with a red score constituting a Service Level Failure. These levels of performance are detailed in the table below, along with the frequency of reporting. As a minimum, the Supplier will be required to report against KPIs (where possible) in each quarterly invoicing period. Where KPI’s have not been met because of issues outside of the Supplier’s direct control, the Authority may choose to disregard the KPI penalties and corrective measures in that instance.

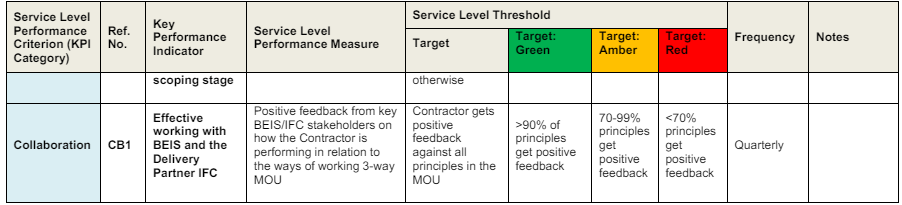
Scoring methodology for KPI criteria:   
• Green Score: If a green score has been awarded to a KPI then no further action is required from the Supplier, with the exception of continuing activities to maintain this score for the next reporting period.   
• Amber Score: If an amber score is awarded, the Supplier should examine and implement measures to prevent this KPI being scored an amber in subsequent reporting periods. The Authority will not expect formal improvement measures at that stage. If a single KPI is awarded amber in two consecutive invoice periods, or twice in four consecutive invoicing periods then the Supplier should create and implement a Remediation Plan at their own cost. This should detail how they will change their practices to prevent another amber score being awarded for this KPI. The timeline for producing this Remediation Plan should be agreed between the Authority and the Supplier and should only be implemented following approval by the Authority. The Authority reserves the right to terminate the Contract if a satisfactory Remediation Plan cannot be agreed.   
• Red Score: If a red score is awarded, this is considered a Service Level Failure. The Supplier should create and implement a Remediation Plan at their own cost. This Remediation Plan should detail how they will change practices to prevent another red score being awarded for this KPI. As above, the Authority must agree to the timelines and contents of the Remediation Plan prior to implementation and reserves the right to terminate the Contract if a satisfactory plan cannot be agreed. If, following implementation of a Remediation Plan, the Supplier scores a red in the same KPI in any subsequent period throughout the duration of the Contract, the Authority reserves the right to terminate the Contract. The Authority also reserves the right to terminate the Contract if a KPI red score has been awarded without requesting a Remediation Plan if it is of the opinion of the Authority that a Material Default has occurred. The Authority reserves the right to suspend, or partially terminate the Contract, while a Remediation Plan is being developed and agreed, where there is justification to do so.

Key performance indicators applicable to this contract

The following draft KPIs will apply to this contract. These KPIs are subject to discussion with the winning bidder and may be amended by the Authority before contract signature and throughout the delivery of the programme in response to contract reviews and the needs of the programme and with the agreement of the Supplier.







This publication is available from UK Gov Development Tracker: <https://devtracker.fcdo.gov.uk/programme/GB-GOV-13-ICF-0032-MAGC/documents>

If you need a version of this document in a more accessible format, please email [alt.formats@energysecurity.gov.uk](mailto:alt.formats@energysecurity.gov.uk). Please tell us what format you need. It will help us if you say what assistive technology you use.

1. Available at <https://devtracker.fcdo.gov.uk/programme/GB-GOV-13-ICF-0032-MAGC/documents> [↑](#footnote-ref-2)
2. The EQ numbering reflects the original order of planning. For thematic and narrative flow, the chapters themselves appear in a rearranged sequence. [↑](#footnote-ref-3)
3. Colombia, Mexico, Peru, Ghana, Kenya, South Africa, Egypt, India, Indonesia, Philippines and Vietnam [↑](#footnote-ref-4)
4. A form of theory-driven evaluation developed by Pawson and Tilley (1997). Pawson and Tilley argued that in order to be useful for decision makers, evaluations need to identify ‘what works in which circumstances and for whom?’, rather than merely ‘does it work?’. The complete realist question is: “What works, for whom, in what respects, to what extent, in what contexts, and how?”. In order to answer that question, realist evaluators aim to identify the underlying generative mechanisms that explain ‘how’ the outcomes were caused and the influence of context. [↑](#footnote-ref-5)
5. • Latin America & Caribbean: Argentina, Brazil, Colombia, Costa Rica, Mexico, Peru; • Sub-Saharan Africa: Cote d’Ivoire, Ghana, Kenya, Nigeria, South Africa, Senegal, Tanzania. • Middle East and North Africa: Egypt, Morocco. • South Asia: Bangladesh, India, Pakistan. • East Asia: China, Indonesia, Mongolia, Burma, Philippines, Vietnam. [↑](#footnote-ref-6)
6. • Latin America & Caribbean: Colombia, Mexico, Peru; • Sub-Saharan Africa: Ghana, Kenya, South Africa. • Middle East and North Africa: Egypt. • South Asia: India. • East Asia: Indonesia, Philippines, Vietnam. [↑](#footnote-ref-7)
7. [United Nations (2015). Paris Agreement.](https://unfccc.int/process-and-meetings/the-paris-agreement) [↑](#footnote-ref-8)
8. [United Nations (2015). Transforming our world: the 2030 Agenda for Sustainable Development: The 17 Goals.](https://sdgs.un.org/goals)  [↑](#footnote-ref-9)
9. [UK Department for Energy Security and Net Zero, UK Department for Environment, Food & Rural Affairs, UK Foreign, Commonwealth & Development Office (2023). International Climate Finance.](https://www.gov.uk/guidance/international-climate-finance) [↑](#footnote-ref-10)
10. BII’s website: <https://www.bii.co.uk/en/> [↑](#footnote-ref-11)
11. UKEF’s website: <https://www.gov.uk/government/organisations/uk-export-finance> [↑](#footnote-ref-12)
12. [UK Department for Energy Security and Net Zero, HM Treasury, UK Department for Environment, Food, & Rural Affairs (2023). Green Finance Strategy.](https://www.gov.uk/government/publications/green-finance-strategy) [↑](#footnote-ref-13)
13. [UK Department for Energy Security and Net Zero (2023). Powering up Britain.](https://www.gov.uk/government/publications/powering-up-britain) and [UK Department for Energy Security and Net Zero (2023). Powering up Britain: The Net Zero Growth Plan.](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1147457/powering-up-britain-net-zero-growth-plan.pdf) [↑](#footnote-ref-14)
14. [UK Department for Energy Security and Net Zero, UK Department for Environment, Food & Rural Affairs (2023). 2030 Strategic framework for international climate and nature action.](https://www.gov.uk/government/publications/2030-strategic-framework-for-international-climate-and-nature-action) [↑](#footnote-ref-15)
15. The programme’s initial end date was November 2025. An extension was granted for the programme in December 2023. [↑](#footnote-ref-16)
16. [United Nations Department of Economic and Social Affairs (2014). 2014 revision to the World Urbanization Prospects.](https://www.un.org/en/development/desa/publications/2014-revision-world-urbanization-prospects.html) [↑](#footnote-ref-17)
17. Kharas, H. (2017) The unprecedented expansion of the global middle class. An update. Brookings Institution, Washington. [↑](#footnote-ref-18)
18. Global Construction Perspectives and Oxford Economics (2015) Global Construction 2030: A global forecast for the construction industry to 2030. London UK [↑](#footnote-ref-19)
19. IEA (2017). Energy Technology Perspectives. Paris, France. [↑](#footnote-ref-20)
20. An additional £12.2 million were committed in March 2023. In addition, with the timelines of the programme being extended from 2025 to 2033 (2027 for the investment period) in December 2023, £2 million were committed for advisory and £22 million for the investment component. [↑](#footnote-ref-21)
21. T1 countries: ▪ Latin America & Caribbean: Argentina, Brazil, Colombia, Costa Rica, Mexico, Peru; ▪ Sub-Saharan Africa: Cote d’Ivoire, Ghana, Kenya, Nigeria, South Africa, Senegal, Tanzania; ▪ Middle East and North Africa: Egypt, Morocco; ▪ South Asia: Bangladesh, India, Pakistan; ▪ East Asia: China (Technical Assistance only), Indonesia, Mongolia, Burma, Philippines, Vietnam [↑](#footnote-ref-22)
22. IFC (2023). IFC-UK Market Accelerator for Green Construction (MAGC) Program – Annual Report 2023. [↑](#footnote-ref-23)
23. 2021-22 MAGC Annual review [↑](#footnote-ref-24)
24. Vivid Economics (2020). BEIS ICF Mitigation Investment Options: Synthesis Report. Source: <https://www.pbl.nl/sites/default/files/downloads/pbl-2020-beis-icf-mitigation-investment-options-synthesis-report_4521.pdf> [↑](#footnote-ref-25)
25. The Climate Assessment for Financial Institutions (CAFI) tool is a web-based platform that allows financial intermediaries to log and verify the expected emission savings from programme investments and investments outside the programme in order to track climate finance. [↑](#footnote-ref-26)
26. MAGC 2021-2022 annual review. [↑](#footnote-ref-27)
27. Referred to in the Theory of Change as Research and Learning, and in the MAGC brochure as Green Building performance report and dissemination [↑](#footnote-ref-28)
28. It originally included the development of systems to monitor and collect data about financial institutions, but this was later removed due to an internal DESNZ decision. [↑](#footnote-ref-29)
29. Published on UK Gov Development Tracker website here: <https://devtracker.fcdo.gov.uk/programme/GB-GOV-13-ICF-0032-MAGC/documents> [↑](#footnote-ref-30)
30. The documents can be found online on the UK GOV development tracker website: <https://devtracker.fcdo.gov.uk/projects/GB-GOV-13-ICF-0032-MAGC/documents> [↑](#footnote-ref-31)
31. Before an assessment of the Theory of Change elements, looking into the processes leading to the design of the Theory of Change can help understand how the mechanisms of the programme were planned and designed, and any changes that were made to the programme during delivery can help to assess the Theory of Change adaptability. A key limitation for this assessment is that there have been changes in the MAGC programme team since its design phase (particularly in DESNZ), when the Theory of Change was developed, and only a few of the current core team members of the team having been involved in the process. [↑](#footnote-ref-32)
32. MAGC Business Case, Available here: <https://devtracker.fcdo.gov.uk/projects/GB-GOV-13-ICF-0032-MAGC/documents> [↑](#footnote-ref-33)
33. More information on the Programme can be found here: <https://edgebuildings.com/about/ifc-green-buildings/> [↑](#footnote-ref-34)
34. See MAGC Business Case. [↑](#footnote-ref-35)
35. The embodied carbon study as part of Component 4 is out of the scope of this Evaluation. [↑](#footnote-ref-36)
36. MAGC Change Request form in March 2023. [↑](#footnote-ref-37)
37. Davies, R., 2013. Planning Evaluability Assessments: A Synthesis of the Literature with Recommendations. Report of a Study Commissioned by the Department for International Development. Available at <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248656/wp40-planning-eval-assessments.pdf> [↑](#footnote-ref-38)
38. The documents can be found online on the UK GOV development tracker website: <https://devtracker.fcdo.gov.uk/projects/GB-GOV-13-ICF-0032-MAGC/documents> [↑](#footnote-ref-39)
39. Azhgaliyeva & Rahut, 2022 [↑](#footnote-ref-40)
40. Kennedy & Corfee-Morlot, 2012; Hoch et al., 2018 [↑](#footnote-ref-41)
41. <https://assets.publishing.service.gov.uk/media/649c071df901090012818948/desnz-icf-programmes-evaluation.pdf> [↑](#footnote-ref-42)
42. [2021\_Learning\_Report - Theory\_of\_Change.pdf (mitigation-action.org)](https://mitigation-action.org/wp-content/uploads/2021_Learning_Report_-Theory_of_Change.pdf) [↑](#footnote-ref-43)
43. Financed by SECO. [↑](#footnote-ref-44)
44. The workstream for the analysis of the financial performance was removed by DESNZ. [↑](#footnote-ref-45)
45. The results framework contains disaggregated data on all indicators that the programme is collecting and reporting on. Some of these indicators are also part of the Logframe, which is the main monitoring tool for MAGC structured around the key outputs, outcomes and impacts that the programme aims to achieve. [↑](#footnote-ref-46)
46. HM Government (2023). *Together for People and Planet: UK International Climate Finance Strategy*. Available at: <https://assets.publishing.service.gov.uk/media/6482f5aa5f7bb7000c7fa775/tfpp-uk-international-climate-finance-strategy-2023.pdf> [↑](#footnote-ref-47)
47. Stakeholders include the Green Building Council, local chapters of societies, local government, legal and policy stakeholders, technical experts, housing associations, EDGE stakeholders, financial institutions and others working in the green buildings sector. Stakeholders were engaged in a range of ways including advisory support with policy development, the development of external-facing materials and providing technical expertise. [↑](#footnote-ref-48)
48. At this stage, MAF’s GEDSI considerations predominantly focus on gender but include some aspects of social mobility, and plan to expand these considerations. [↑](#footnote-ref-49)
49. IFC (2023). IFC-UK Market Accelerator for Green Construction (MAGC) Program – Annual Report 2023. [↑](#footnote-ref-50)
50. Panama is now the richest country in Latin America, with some of the fastest income convergence to US standards in the past 25 years in the region. Source: International Monetary Fund, Western Hemisphere Dept (2023). Panama’s Growth Story. Available at: <https://www.elibrary.imf.org/view/journals/002/2023/129/article-A002-en.xml?ArticleTabs=abstract> [↑](#footnote-ref-51)
51. These are the IFC’s DFI Enhanced Blended Concessional Finance Principles for Private Sector Projects, which stipulate the five principles underpinning effective, efficient and transparent use of blended finance are Rational for blended concessional finance, crowding-in and minimum concessionality, commercial sustainability, reinforcing markets and promoting high standards. Source: <https://www.ifc.org/en/what-we-do/sector-expertise/blended-finance/how-blended-finance-works#principles> [↑](#footnote-ref-52)
52. Update of the Nationally Determined Contribution of Colombia (NDC) (2020). Available at: <https://ndcpartnership.org/country/col#:~:text=Colombia%20submitted%20its%20updated%20NDC,Long%2DTerm%20Strategy%20in%202021> [↑](#footnote-ref-53)
53. As per MAGC business case [↑](#footnote-ref-54)
54. As per MAGC business case [↑](#footnote-ref-55)
55. World Bank (2022). GDP per capita (current US$) Available at: <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD> [↑](#footnote-ref-56)
56. World Bank (2023). The World by Income and Region. Available at: <https://datatopics.worldbank.org/world-development-indicators/the-world-by-income-and-region.html> [↑](#footnote-ref-57)
57. NDC Partnership (2023). Available at: <https://ndcpartnership.org/> [↑](#footnote-ref-58)
58. <https://www.gov.uk/government/publications/climate-finance-accelerator/climate-finance-accelerator> [↑](#footnote-ref-59)
59. EQ2: To what extent are the results mechanisms illustrated in the Theory of Change of MAGC accurate? [↑](#footnote-ref-60)
60. Ipsos and SQ Consult (2021): Learning Report: Optimising theories of change for promoting and enabling transformational change, 2nd Independent Evaluation of the NAMA Facility, available at: <https://nama-facility.org/wp-content/uploads/2021_Learning_Report_-Theory_of_Change.pdf> [↑](#footnote-ref-61)
61. EQ3: How effective are the choice of countries/projects in fulfilling MAGC’s objectives and supporting the UK’s International Climate Finance strategy? [↑](#footnote-ref-62)
62. EQ1: To what extent, and in what ways, has the management approach agreed with the Delivery Partner been appropriate and effective for MAGC? [↑](#footnote-ref-63)
63. Purposive sampling, also known as judgmental, selective, or subjective sampling, is a form of non-probability sampling in which researchers rely on their own judgment when choosing members of the population to participate in their surveys. [↑](#footnote-ref-64)
64. Convenience or snowball sampling in qualitative research refers to a non-probability sampling technique where existing study subjects recruit future subjects among their acquaintances. This method is often used when the population is hard to reach or difficult to identify. However, it may not provide a representative sample of the population, which can limit the generalisability of the research findings. [↑](#footnote-ref-65)
65. The number of interviews at T0 are slightly higher than the target, whereas the number of interviews at T2 are slightly lower. However, the overall sample was achieved, and changes in numbers should not have implications for the findings presented. [↑](#footnote-ref-66)
66. MAGC Business Case (2017) [↑](#footnote-ref-67)
67. MAGC Business Case (2017) [↑](#footnote-ref-68)
68. Economist Intelligence Unit (EIU) Democracy Index: https://www.eiu.com/n/campaigns/democracy-index-2023/ [↑](#footnote-ref-69)
69. World Bank Group: https://blogs.worldbank.org/en/opendata/new-world-bank-group-country-classifications-income-level-fy24 [↑](#footnote-ref-70)
70. WBG Ease of doing business: https://data.worldbank.org/indicator/IC.BUS.EASE.XQ [↑](#footnote-ref-71)
71. Climate Action Tracker: https://climateactiontracker.org/ [↑](#footnote-ref-72)
72. Climatescope: https://www.global-climatescope.org/ (ranking filtered by 110 emerging economies) [↑](#footnote-ref-73)
73. Global Status Report for Buildings and Construction 2023: https://wedocs.unep.org/bitstream/handle/20.500.11822/45095/global\_status\_report\_buildings\_construction\_2023.pdf?sequence=3&isAllowed=y [↑](#footnote-ref-74)
74. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/1139441/international-climate-finance\_KPI\_15\_Methodology\_Note\_Extent\_to\_which\_ICF\_intervention\_is\_likely\_to\_lead\_to\_transformational\_change.pdf [↑](#footnote-ref-75)
75. MAGC Programme business case [↑](#footnote-ref-76)
76. Collecting data on financial institutions was discontinued by DESNZ and did not go ahead. [↑](#footnote-ref-77)
77. Collecting data on financial institutions to Measure financial performance was discontinued by DESNZ and therefore is no longer an outcome that MAGC will achieve. [↑](#footnote-ref-78)
78. See Davies (2013) <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/248656/wp40-planning-eval-assessments.pdf> [↑](#footnote-ref-79)
79. 5 Given the duration of the Supplier contract, the scoping plan will likely need to be adapted as the programme progresses, particularly the workplan, risk register and the budget/financial forecast. The supplier should revisit the plan at the outset of each evaluation activity and refine this as required, according to programme developments. 6 More info on Key Performance Indicators (KPIs) for ICF can be found here: https://www.gov.uk/government/publications/uk-climate-finance-results. Accessed on October 2022 [↑](#footnote-ref-80)