

## NDC Partnership Risk Register

5	Almost certain >80%	Major	Major	Severe	Severe	Severe
4	Likely >50%<80%	Moderate	Major	Major	Severe	Severe
3	Possible >20%<50%	Minor	Moderate	Major	Major	Severe
2	Unlikely >5%<20%	Minor	Minor	Moderate	Major	Major
1	Rare <5%	Minor	Minor	Low	Moderate	Major
		Insignificant	Minor	Moderate	Major	Severe
		1	2	3	4	5

Probability Score

Impact Score

ID	Risk category	Risk description	Pre mitigation	
			Probability	Impact
1	Delivery	<b>Ability for the Partnership to meet demand from developing countries</b> Due to the reliance on development and implementing partners to provide support, and donor programmes not being sufficiently nimble to react quickly to country priorities, there is a risk that partners do not have the appropriate programmes and initiatives in place to meet the ever-growing demand/request for support being received by the Partnership, meaning that requests for support will be left unsupported and the Partnership cannot fulfil its objectives.	Possible	Major
2	Delivery	<b>Coordination and alignment of the UK offer</b> Due to the nature of programming within the UK and the need for significant coordination and alignment across HMG, there is a risk that UK support via the partnership is not impactful leading to low value for money and limited impact on the ground for developing countries.	Possible	Moderate

3	<b>External Context</b>	<p><b>Usefulness of the Partnership to developing countries</b></p> <p>Due to low engagement and capacity within developing countries or lack of political buy-in for NDC implementation plans there is a risk that the tools and processes developed by the partnership do not provide adequate support to countries and do not result in increased access to finance and the implementation of NDCs.</p>	Unlikely	Moderate
4	<b>Operational</b>	<p><b>Ensuring Value for Money of the Support Unit</b></p> <p>Due to the need to directly award UK funds via WRI and UNOPS (the hosts of the Partnership's Support Unit), there is a risk that UK funds are not providing the best value for money possible and being the most impactful.</p>	Unlikely	Moderate
5	<b>Operational</b>	<p><b>Ability to Monitor, Evaluate and Learn from the Partnership as a whole</b></p> <p>Due to limited capacity within the Support Unit for Monitoring, Evaluation, and Learning (MEL), there is a risk that the partnership will not be able to effectively demonstrate the impact it is having which could lead to decreased engagement and donor funding being siphoned through and for the partnership.</p>	Unlikely	Moderate
6	<b>Fiduciary</b>	<p><b>Uncertainty around securing full budget</b></p> <p>Due to the lifetime of the business case being across multiple spending review periods and across ICF3 and ICF4 it is not possible to secure unconditional budget approval at this stage for the full seven-year period, meaning there is a risk that funding amounts will be reduced over the time period meaning that support might not be able to be provided to countries who were expecting it.</p>	Unlikely	Moderate

7	<b>Operational</b>	<b>Coordination of multi-element approach</b> Due to the multi-element approach of the UK's support and the subsequent delivery via multiple partners with multiple agreements in place there is a risk of poor coordination and inefficient delivery which would reduce the impact of the UK's support to and via the Partnership.	Unlikely	Moderate
9	<b>Operational (commercial)</b>	Delivery Partner(s) is unable to deliver the requirements.	Rare	Major
10	<b>Compliance (Commerical)</b>	Agreement with Delivery Partner(s) is not robust when compared to HMG principles.	Unlikely	Major

11	<b>Fiduciary (commercial)</b>	Fraud and / or corruption affects Delivery Partner(s), reducing ability of programme to deliver outputs effectively and causing reputational damage to programme and wider HMG.	Unlikely	Major
12	<b>Delivery (commercial)</b>	Projects identified and commissioned do not deliver their objectives.	Unlikely	Major
13	<b>Reputational (commercial)</b>	Delivery Partner, or the projects owned by the Delivery Partner, are engaged with activities which could reputationally damage HMG	Unlikely	Major
14	<b>Operational (commercial)</b>	Agreements with Delivery Partners are not formalised and working relationships (e.g. monthly meetings) are lost.	Possible	Moderate
15	<b>Compliance (commercial)</b>	Commercial –Risk of legal challenge due to the need to direct award to Delivery Partner (Support Unit)	Unlikely	Moderate
16	<b>Fiduciary</b>	Exchange rate - NDC Partnership works in USD, exchange rate fluctuations may mean the proposed amount in GBP is not sufficient	Rare	Major
17	<b>Fiduciary</b>	Due to the need to pay UN agencies (and possibly other partners) in advance of need we will need to use Promissory Notes. There is a risk that if funds are not spent under a promissory note that they need to be cancelled which has a number of legal implications and results in negative ODA.	Unlikely	Moderate

18	<b>Fiduciary</b>	Inflation - Inflation may mean that the £126m is not sufficient	Unlikely	Moderate
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	<i>Post mitigation</i>			
Risk rating	Mitigating Actions	Residual Probability	Residual Impact	Residual Risk rating
Major	<p>Support the support unit's country engagement process and champion its ways of working. Advocate for other donors to increase support via the UK's position as a steering committee member and previous co-chair.</p> <p>Share UK lessons on ways to provide support, including showcasing the work of the UK TA Fund.</p> <p>Put in place strong processes that ensure that requests from countries are advertised to relevant teams/programmes to increase the likelihood of support being provided.</p>	Unlikely	Major	Major
Major	<p>Increase awareness of and engagement with NDC Partnership across HMG by running learning events, sharing information and working alongside embassy teams to enhance coordination. Use country engagement specialists and teams and link them to teams in embassies as well as programme teams to maximise coordination and alignment.</p> <p>Ensure UK programming is able to respond to demand identified through the partnership and is flexible and agile enough to support requests through awareness raising and influencing programme design across ICF to ensure impact.</p>	Rare	Moderate	Minor

Moderate	<p>Champion the Partnership in political/high level fora, through multilateral initiatives such as country platforms, and through international climate negotiations.</p> <p>Continue to play an active role in the Partnership's Steering Committee, supporting co-chair objectives to increase political/high level visibility of the Partnership.</p> <p>Leverage UK relationships with MDBs and other members to promote Partnership and increase support to developing countries.</p> <p>Provide dedicated resource to support developing country member capacity. Champion Partnership/developing country member tools and processes, including NDC Implementation Plans to increase use by other UK programmes.</p>	Rare	Moderate	Minor
Moderate	<p>Build VfM and accountability mechanisms into grant agreements/funding arrangements with WRI and UNOPS.</p> <p>Utilise position as major funder and Steering Committee member to scrutinise the Support Unit's overall budgets and work plans and guide their direction.</p>	Rare	Moderate	Minor
Moderate	<p>Provide support to the Support Unit to enhance the MEL of the Partnerships by providing more robust data in a timely fashion, enhancing the framework by adding complementary indicators currently in place, and enhancing current tools and monitoring systems.</p> <p>Continue to use our role as a Steering Committee member to push for enhanced MEL. Contract an external MEL partner with a focus on learning and impact.</p>	Rare	Moderate	Minor
Moderate	<p>Ensuring that it is possible to scale down or fully withdraw in future if budget is cut or insufficient funds secured in future SR exercises via the use of flexible agreements and the annual decision making processes to allocate funding across all the elements.</p> <p>The approval of funding under this business case will also help to mitigate this risk.</p>	Rare	Moderate	Minor

Moderate	<p>Governance procedures will ensure effective and efficient oversight across all elements of the UK support.</p> <p>Clear roles and responsibilities between the members of the programme team and partners will be in place.</p>	Rare	Moderate	Minor
Moderate	<p>Will undertake DPRs, or will seek an update on progress against recommendations in previous DPRs. Where a new organisation under the First response a DPR will be undertaken, unless that organisation has undergone a recent (previous 3 years) DPR undertaken by FCDO or Defra and the project was similar.</p> <p>Performance management processes and use of MEL frameworks will enable continuous assessment of Delivery Partner delivery throughout the duration of the agreements. Termination and variation clauses will be included in the agreements in case of serious misdemeanours, significant underperformance or changes to circumstances that seriously jeopardise the likelihood of the programme delivering its intended benefits.</p> <p>Throughout the life cycle of the programme, DESNZ will attend annual meetings to influence and improve the programme, as well as site visits to programme locations to understand the impact the programme is having on the ground.</p> <p>The programme lead will also engage with Delivery Partners informally through monthly meetings which will feed into wider DESNZ governance structures including Project Development Plan (PDP) meetings and conduct DESNZ ICF Annual Reviews. Risks will regularly be monitored with PMO through PDP meetings, and risks discussed and acted on accordingly with intervention from post or more senior civil servants if needed.</p> <p>Primary commercial risk allocation partner: DESNZ</p>	Rare	Moderate	Minor
Major	<p>HMG principles. There is an existing agreement between some of the Delivery Partners which we will adapt with legal and commercial colleagues. Legal, Finance and Commercial colleagues will review and negotiate terms on behalf of DESNZ. "Red lines" will be identified including but not limited to fraud, corruption and reporting and where these are not met then an agreement will not be entered into.</p> <p>Primary commercial risk allocation partner: DESNZ</p>	Rare	Moderate	Minor



Major	<p>Rigorous financial management procedures will reduce the risk of fraud, waste and abuse of finance. The Delivery Partners will undertake various reporting processes. Additionally, there will be ongoing VfM assessments through the DESNZ Annual Review process. DESNZ arrangement with Delivery Partners will include a range of appropriate actions that will take place if such issues become likely to materialise.</p> <p>Primary commercial risk allocation partner: DESNZ</p>	Rare	Moderate	Minor
Major	<p>Commercial risk from delivery of projects is transferred from DESNZ to identified Delivery Partners. Delivery Partners hold the responsibility for ensuring the deliverability of these projects. DESNZ will track delivery against the agreed Logframe and through annual reports.</p> <p>Primary commercial risk allocation partner: Delivery Partners</p>	Unlikely	Moderate	Moderate
Major	<p>Mechanisms will be included to ensure that we have visibility on any potential issues and are notified as soon as possible. Termination clauses will be included in agreements in case of serious issues, significant underperformance or changes to circumstances that seriously jeopardise the likelihood of the programme delivering its intended benefits.</p> <p>Primary commercial risk allocation partner: DESNZ</p>	Rare	Major	Moderate
Major	<p>Additional expectations will be agreed with Delivery Partners upon signing of their Agreements. The Programme Manager will create a Terms of Reference that will be used to guide the working relationship with Delivery Partners, who are involved in monthly meetings.</p> <p>Primary commercial risk allocation partner: DESNZ</p>	Rare	Moderate	Minor
Moderate	<p>All Agreements will be shared with Legal stakeholders or relevant external legal team who have expertise, and any issues identified and hopefully addressed through negotiations.</p> <p>Primary commercial risk allocation partner: DESNZ</p>	Rare	Moderate	Minor
Moderate	<p>Both WRI/ UNOPS hedge the GBP:USD conversion so we can see quickly assess if exchange rate fluctuations are an issue. Significant fluctuations may require a scale back in activities, which would be managed through mechanisms in the grant agreement. DESNZ will not be expected to provide additional funding in the case of adverse foreign currency movements</p>	Rare	Moderate	Minor
Moderate	<p>When using PNs we will not lay the funding in small amounts over the duration of the business case to ensure that funds are spent and we are able to flex the amount of money we are providing to partners dependent on need.</p> <p>In agreements with partners we will agree an indicative payment schedule which can be flexed depending on needs.</p>	Rare	Moderate	Minor

Moderate	We have chosen £126m and values for each workstreams to account for inflation. DESNZ would not provide additional funding in the case of higher than expected inflation, and that this will be managed through the grant agreement.	Rare	Moderate	Minor
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<i>Accountable</i>	<i>Responsible</i>
Owner	Risk manager
Support Unit	<b>Programme Team</b>
Programme Director	<b>Programme Team</b>

Programme Director	<b>Programme Team</b>
Programme Director	<b>Programme Team / commercial specialist</b>
Support Unit	<b>Programme Team</b>
Programme Director	<b>Programme Team</b>

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Support Unit	<b>Support Unit/Programme Team</b>
Programme Director	<b>Programme Team</b>

Programme Director	<b>Programme Team</b>
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