NDC Support through NDC Partnership Annual Review, 2024-2025

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| **Section A: Summary and overview** |

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| **Title: NDC Support through NDC Partnership** | | |
| **Programme Value £ (full life):** £126m | | **Review date:**  June 2025 (April 2024 to March 2025) |
| **Programme Code:**  GB-GOV-13-ICF-0008-ext1-NDCP | **Programme start date:**  April 2024 | **Programme end date:**  March 2031 |

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| **Year** | **2025** | **2026** | **2027** | **2028** | **2029** | **2030** | **2031** |
| **Overall Output Score** | **A** |  |  |  |  |  |  |
| **Risk Rating** | **Moderate** |  |  |  |  |  |  |

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| **Link to Business Case:** | [*Devtracker Link*](https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fscience-and-innovation-network.s3.eu-west-2.amazonaws.com%2FBEIS%2BICF%2FNDCP%2FNDC%2BPartnership%2Bextension%2Bbusiness%2Bcase%2B-%2BRedacted.docx&wdOrigin=BROWSELINK) |
| **Link to Logframe:** | [*NDC Partnership Logframe*](https://science-and-innovation-network.s3.eu-west-2.amazonaws.com/BEIS+ICF/NDCP/Annex+C+-+UK+Support+to+NDC+Partnership+LogFrame.pdf) |
| **Link to previous Annual Review** (if appropriate) | [*Devtracker Link*](https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fscience-and-innovation-network.s3.eu-west-2.amazonaws.com%2FBEIS%2BICF%2FNDCP%2FAPPROVED%2BVERSION%2BFOR%2BPUBLICATION%2B-%2BAnnual%2BReview%2Bfor%2BNDC%2BPartnership%2BFY%2B2023-2024.docx&wdOrigin=BROWSELINK) |

Description of programme

The NDC (Nationally Determined Contributions) Partnership is a platform which brings together over 130 countries and 100 institutions. It was formed after the signing of the Paris Agreement, to help countries develop and implement their NDCs, including through improving access to finance.

**NDCs** are the primary accountability mechanism for aligning countries’ climate action with the shared goals set out in the Paris Agreement. They communicate a countries’ emission reduction targets, often sector-by-sector, as well as their efforts to build resilience to climate change. Countries submit NDCs to the United Nations Framework Convention on Climate Change (UNFCCC) every 5 years. This reporting cycle marked the end of the 2020-2025 NDC cycle. NDCs 3.0 set out countries’ emissions target and resilience efforts to 2035.

Partnership members are supported by a central Support Unit (SU), jointly hosted by the World Resource Institute (WRI), United Nations Office for Project Services (UNOPS), and the UNFCCC. The Support Unit has two key functions: 

* To facilitate the matchmaking of developing country needs on NDC/climate planning development and implementation with funding and support provided by developed country members (e.g. the UK, Germany) and institutional members (e.g. the World Bank, the United Nations Development Programme). Often this includes support for developing comprehensive NDC implementation and investment plans, or the deployment of NDC Partnership facilitators and embedded advisors into developing country governments to build institutional capacity.
* Knowledge and learning sharing across the membership. The Support Unit runs a global knowledge hub, providing quick and easy access to data on NDC gaps and trends, guidance, good practice, and funding opportunities.

To complement these functions at a country level, the Support Unit manages a network of in-country NDC facilitators and embedded advisers, whose role is to directly enhance countries’ core capacity to articulate their NDC priorities and deliver their NDCs.  

Although the NDC Partnership’s work supports countries to access support across the whole investment chain; its primary role within DESNZ ICF’s portfolio for the past year has been to support increasing central government capability and helping to deliver on enhanced NDC 3.0.

The Partnership’s work is guided by a five-year Work Programme (WP). The SU acts as the Partnership’s secretariat, guiding and facilitating the delivery of the WP. The WP is designed to coincide with the five-year Paris Agreement cycle and states the Partnership’s overall priorities and objectives for each cycle.

*UK’s membership to NDC Partnership and NDC support to developing countries:*

The UK was an early member and has been a core donor to the Partnership since 2018. Currently its programme team leads on UK representation on the Partnership’s Steering Committee, programme management, governance and oversight of the elements outlined below.The UK was also Co-Chair of the Partnership’s Steering Committee from 2021 to 2023. Between 2018 and 2024 the UK provided funding to a Technical Assistance Fund, the Support Unit and the Partnership Action Fund. During our co-chairship, we utilized that role to learn from Steering Committee members of what were the most effective ways of providing support and evaluating what could be improved from the previous Business Case.

Through this process, we established that the best way of supporting developing countries through the Partnership would be to have a multi-element approach. This informed the design of the 2024-2031 Business Case. This is the first year of delivery under this Business Case, with delivery taking place across 4 elements:

1. A financial contribution (£2,400,000) to the Partnership’s Support Unit, which delivers the coordination of the NDC Partnership’s successful model of collective climate action. The UK provides funding to WRI as co-host of the SU under this element. Other hosts are funded by other donors. The UK’s contribution accounted for 29.7% of SU core funding in FY24/25.
2. We laid a Promissory Note in the value of £1,100,000 for a bilateral Country Engagement Fund (CEF), managed by the Support Unit (as UNOPS) on behalf of the UK, to fund a network of in-country NDC facilitators and embedded advisers to strengthen governments’ capacity to implement their NDCs.
3. Contributions to Institutional member initiatives that are working to deliver support for developing country members’ NDC planning and delivery. For financial year 24-25, this has included laying a Promissory Note valued £4,000,000 for the World Bank’s Climate Support Facility (CSF), the Nationally Determined Contributions (NDC) and Long-Term Strategies (LTS) Program and laying two Promissory Notes valued £7,400,000 for the UNDP’s Climate Promise.
4. And the UK’s funding (£5,850,000) to the Partnership’s ‘last response efforts’ which refer to the contribution to the multi-donor Partnership Action Fund (PAF), managed by the SU (as UNOPS and WRI). The PAF supports urgent country requests when they cannot be supported by development partners including developed countries and institutional members; in order to ensure that no country is left behind.

In addition to the four funded elements, the DESNZ programme team also delivers cross-Whitehall and embassy engagement to support the delivery of NDC support to developing countries via NDC Partnership.

Summary of progress and supporting narrative for the overall score

This has been the first year of delivery under the new NDC Partnership Business Case (2024-2031) that was approved in the Spring of 2024 and reapproved by the new government at the end of Summer, 2024. As the performance indicators show, the programme should receive an **A** rating, as it has met or exceeded most of its aims for this reporting year. Out of 16 targets, four will require a baseline to be set for the reporting year 2025/26, five of the targets have been exceeded significantly, three have been exceeded, two have been met and two have not been met.

The new Business Case and delivery model builds on the previous technical assistance and capacity building enabled by the UK’s contribution to the NDC Partnership. As outlined above the UK provides funding to the Support Unit, the Partnership Action Fund, manages a bilateral Country Engagement Fund and has provided funding to two institutional members of the Partnership, the World Bank and UNDP, to enable developing countries to update their NDCs 3.0.

The focus this year has been on setting up the structures to implement the ambitious business case and the required grants and agreements to get support flowing to countries, including new agreements for NDC 3.0 support via the World Bank and UNDP, and the new Country Engagement Fund (CEF) for deploying embedded capacity. This work has been done alongside creating an effective internal portfolio and financial management processes, cross-government and embassy engagement processes, and feeding into early discussions on the creation of the Partnership new 2026-2030 Work Program which will outline the Partnership’s direction beyond next year. We have also been active members of the Steering Committee and helped to improve coordination among members.

During this reporting period the UK has provided support for government’s core climate capability through the CEF, a bilateral fund for embedded advisory support managed by UNOPS. 12 advisers across 12 countries have been funded to support countries on their NDC planning, knowledge management and climate finance management.

This year UK support for the NDC Partnership has also increased developing countries access to timely Technical Assistance to enhance the ambition and quality of their NDCs and set Long Term Strategies. This has primarily been delivered through our funding of UNDP’s Climate Promise and the World Bank’s Climate Support Facility. This support kicked off during the fourth quarter of this reporting period, with work starting in 34 countries, and plans in place to deliver support to a total of up to 45 countries by Conference of Parties 30 (COP30).

To support the NDC Partnership’s global mission the DESNZ programme team have kicked off work to align wider UK International Climate Finance (ICF) delivery with countries’ NDCs. We have delivered five training sessions to ICF colleagues in the Department for Energy Security and Net Zero (DESNZ) and the Foreign, Commonwealth and Development Office (FCDO), embedding and promoting the programme as part of the wider DESNZ technical assistance offer. Through embedding the programme more thoroughly into the ICF offer, we have been focused on ensuring that climate attaches and ICF-funded staff in NDC Partnership member countries have the understanding and skills necessary to ensure collaboration between their embassies/high commissions and DESNZ, the Support Unit, and funded facilitators in country.

To effectively implement the CEF, we have delivered sessions tailored to embassy colleagues to promote a shared understanding between all stakeholders to enable more effective technical assistance support in countries. We have also worked closely with the Support Unit and have drawn on their experience to ensure a good understanding of the Partnership among embassy colleagues.

All of this work is supported by the matchmaking and global knowledge and learning services of the Support Unit, to which the UK provided a core grant of £3.7m in this reporting period, enabling continued support and guidance to the Partnership’s 230 members, and delivery of key products, including a public NDC3.0 navigator, which provides a comprehensive best practice guide for NDC updates. The overall results of the Partnership are measured through the Annual Members’ survey and Monitoring, Evaluation and Learning (MEL) data collected by the SU. This data demonstrates positive results across key logframe indicators:

* 61% of country members have reported integrating NDC measures into the next cycle of national, subnational, and sectoral development plans and budgets. This is double the baseline set in 2020, demonstrating a significant shift.
* 80% of members have reported being on track or ahead of schedule in meeting NDC mitigation and adaptation targets.
* Additionally, 64 countries have received support through 'Partnership plans,' which provide the basis for implementation and support from MDBs and others.

Although we experienced delays in signing agreements with the World Bank and UNDP due to delayed due diligence reporting, once those agreements were signed, we were able to proceed swiftly with distributing the funds to countries to enable NDC 3.0 updates. The Support Unit has continued to work well with us and so has UNOPS in their management of the Country Engagement Fund. Although, we expect the official reporting from delivery partners to be provided in Summer and Autumn of 2025, we have assurance that UK’s funding is going towards providing effective support to developing countries and contributing to good results at the Partnership level. Utilising existing infrastructure is allowing us to provide good Value for Money and our engagements with delivery partners have been productive.

## Progress against recommendations from the last review

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| **Recommendation** | **Progress** |
| **To strengthen the role of in-country facilitators, take the lessons learnt from the UK TA Fund, in order to continue to provide demand led and neutral support through the Support Unit, DESNZ should:**   1. Only look to fund facilitators through the Country Engagement Fund (successor to the UK TA Fund) and ensure that the delivery for the Fund continues to be through the Support Unit to ensure neutrality. – by October 2024 2. Create a process for choosing which UK delivery mechanism should respond to requests for embedded advisors in relevant countries (whether it should be the Country Engagement Fund, UKPACT country funds etc.) – by October 2024 | * + 1. **Achieved**   The Country Engagement Fund has now been set up and its delivery through UNOPS enables the Support Unit to maintain the funds neutrality which has been much appreciated by countries.   * + 1. **Achieved**   Through the setup of the Country Engagement Fund, and through engagement with the UK PACT team and other partners, we have developed a strategy for the funds which outlines priority countries. The full country engagement process which shares requests with other programme teams provides the opportunity for other programmes to respond to request for embedded advisors if they are able to, but the Country Engagement Fund strategy keeps the flexibility to fund all ODA eligible NDC Partnership members if required. |
| **To strengthened existing capacity-building activities, DESNZ should:**   1. Provide guidance/comments on the NDC3.0 Navigator to ensure that it helps support developing countries to formulate strong and clear requests, specifically focused on supporting their efforts to develop NDCs 3.0. – by August 2024 2. Continue to establish robust mechanisms to inform all relevant parts of HMG about country needs surfaced via the Partnership - by March 2025, this will include:    1. Consistently sharing the latest requests for support with colleagues at Post and other relevant ICF programme leads.    2. Doing quarterly teach-ins about the Partnership to colleagues across Whitehall.    3. Inputting Partnership updates/highlights into relevant ICF updates/FCDO climate bulletin, when possible.    4. Continuously engaging with programme leads in DESNZ, FCDO and DEFRA to discuss programmatic alignment with NDC Partnership.    5. Creating written guidance to be included in DESNZ ICF business case template. 3. Improve its NDC Partnership programme management and governance processes to reflect the “portfolio approach” of all the new funding mechanisms under the extension business case. – by September 2024 | 1. **Achieved**   The NDC 3.0 navigator tool, launched by the NDC Partnership Support Unit in collaboration with UNDP and UNFCCC, aims to support countries in raising ambition and accelerating NDC implementation. The UK provided technical inputs, coordinating contributions from DESNZ policy colleagues and FCDO colleagues, which were appreciated by the Support Unit.   1. **Achieved** 2. a) Achieved. Once the team receives requests for support, they circulate these requests to colleagues in Post and to relevant DESNZ colleagues, this is then tracked in a Country Engagement Fund Tracker.   b) Achieved. We have done five teach-ins across this reporting year; they were for DESNZ and FCDO teams and they were well attended.  c) Achieved. Have inputted into in relevant ICF updates/FCDO bulletins  d) Achieved. We have been upskilling programme leads across DESNZ, DEFRA and FCDO to ensure awareness of NDC Partnership  e) Not achieved (consider whether possible to follow up this reporting year)   1. **Achieved**   We have improved the NDC Partnership programme management and governance processes to reflect the “portfolio approach” of all the new funding mechanisms by establishing a monthly programme team dashboard, updating our programme management and tracker tools and establishing governance and reporting structures with all our delivery partners. |
| **To help support transformational climate action at the country level by being more engaged in the Partnership’s model, DESNZ should:**   1. Utilise the UK’s role as a Steering Committee member and leadership of the Access to Climate Finance Taskforce to drive improvements in the Partnership’s country engagement strategy, including international coordination on country platforms and efforts to simplify the climate finance architecture. - by March 2025 2. Join the “country platform taskforce” managed by the Support Unit, to discuss and identify ways to support accelerated implementation of NDCs through strengthened collaboration. – by August 2024 | 1. **Achieved**   The UK’s representatives to the Steering Committee have been active participants in the country platform taskforce, as well as the access to climate finance taskforce and by contributing to the UNDP and the World Bank, the UK team has been a key driver in ensuring a better link between the objectives of the Partnership, supporting developing countries in their NDC 3.0 and utilizing the capabilities of its member institutions.   1. **Achieved**   The UK has joined the country platform taskforce and has been active in promoting collaboration among members and supporting linking up of member institutions and countries. |
| **To support the Partnership’s needs to move up the political ladder, DESNZ should:**   1. Support Co-Chairs’ efforts to continue to move NDCs up the political agenda, including continuing to increase cross- Whitehall engagement to increased understanding of the Partnership and its objectives/messaging at a senior level. – by March 2025 2. Ensure NDC Partnership forms a key part of the UK offer on support for NDC development, enhancement and engagement for developing countries and that it forms part of the UK’s UNFCCC negotiations strategy. – by March 2025 | 1. **Achieved**   The team has engaged with seniors across ICF to promote the role of the programme in the wider offer of UK Technical Assistance, presenting our approach to the new Work Programme and ensuring that is in alignment with wider ICF priorities.   1. **Achieved**   In the first year of the new business case, the team developed a strategic approach to x-WH engagement, delivered five Teach-Ins to colleagues in DESNZ, FCDO as well as embassy and High Commission teams abroad, there was also increased engagement with the UK PACT team, to ensure better alignment between the two programmes. |
| **To strengthen its MEL system, DESNZ should:**   1. Update the KPI 15 methodology for NDC Partnership, to better include Gender Equality Social Inclusion (GESI) considerations for example. - by September 2024. 2. Create a UK specific logframe and theory of change which allow the UK to measure and showcase the impact it is having as a member of the partnership (also including GESI considerations). - by May 2025. 3. Ensure to understand the relevance and effectiveness of both the UK’s contribution and membership to the Partnership by having an external independent MEL partner competitively procured – by May 2025 | * + 1. **Achieved**   We have updated KPI 15 methodology due to the new Business Case and having to update the indicators to reflect the two different levels that the NDC Partnership operates in and gets evaluated on. Indicators are classified as measuring UK inputs or focusing on the higher whole Partnership level.   * + 1. **Partially achieved**   Strengthening the GESI element of reporting needs to be carried over to 2025 /26 as this year there has not been an explicit recognition of GESI as a factor in the logframe. Logframe has been updated since the previous business case in order to reflect the different avenues of delivery and the two different reporting levels, UK and Partnership. ToC was updated from the previous business case as part of the new Business Case drafting process   * + 1. **Not achieved**   The programme team along with DESNZ colleagues drafted the Invitation to Tender (ITT) for procuring an independent MEL partner and was ready to go out to the market for procurement, however this work was paused due to announcement on ODA cuts from 2027, which meant that we could not proceed with going out for procurement. A modified recommendation has been carried over to the reporting year 25/26. |

Major lessons and recommendations for the year ahead

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| **Recommendation** | **Deadline** |
| **Logframe and ToC recommendations** | |
| The programme team will set targets for all indicators that do not have them and update the language in cases, where it has been established to not be sufficiently clear. The programme team will utilize the programme’s available data for this year to set the baseline for the following reporting years, starting with the next annual review for the reporting year 2025 / 2026. | *September 2025* |
| **Working with the SU to align MEL and update the Work Programme** | |
| The programme team will organize a MEL focused session between the NDC Partnership’s Support Unit and the UK NDC Partnership programme team to enable more effective and complementary collaboration on MEL and ensure a shared understanding, | *September 2025* |
| The programme team will be working closely with the Support Unit to ensure that the UK’s views are captured and reflected in the new Work Programme (2026-2031), which will include a focus on the building blocks approach for climate action. | *October 2025* |
| As part of the wider MEL engagement process with the Support Unit, the programme team will ensure that the programme follows the latest GESI guidance from the portfolio management team and incorporates GESI in the logframe to enable more equitable delivery across the programme’s multiple delivery elements. | *September 2025* |
| The NDC Partnership level logframe and Theory of Change are updated in parallel to the new Work Programme and this process will be taking place towards the end of the 2025 /2026 reporting period. We will be inputting into the refreshing of the logframe and ToC to ensure that donors can effectively track output, outcomes and impact. Once an updated ToC and logframe has been agreed upon at the Partnership level, we will proceed with updating our ToC and logframe at the UK level. This is likely to happen early in the reporting period of 2026 /2027. | *February, 2026* |
| **MEL review recommendation** | |
| The programme team will assess the MEL needs and requirements of the programme, based on the new ODA landscape, as well as available budget, which will become clear after the Spending Review process will have concluded. The programme team will then decide about the programme’s overall MEL approach and the best way to proceed with the MEL element of programme delivery. | *December,2025* |
| **Stakeholder engagement recommendations** | |
| The UK NDC Partnership team will be focused on ensuring that the programme’s delivery partners are aligned with and informed of UK’s logframe and MEL approach and reporting provided will respond to the programme’s UK level MEL requirements. | *August 2025* |
| Building on this year’s performance, the programme team will deliver additional sessions to DESNZ programme teams and continue embedding UK’s contribution to the NDC Partnership in our ICF capacity building offer. | *January 2026* |
| **NDC Partnership Programme Management Recommendations** | |
| The NDC Partnership UK Programme Team will improve the CEF process by following the developed guidance on sharing the Requests for Support and obtaining approval for priority countries within a six-week period and working closely with the Support Unit to deliver a responsive and efficient bilateral offer. | *October 2025* |
| The programme team will deliver a refresh of Requests for Support tracker to ensure that it provides an overview of RfS from other country partners and contributes to more effective coordination of country level support across ICF. | *July 2025* |

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| **Section B: Theory of change and progress towards outcomes** |

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

The objectives of the UK’s NDC support through NDC Partnership are set out through the Theory of Change (ToC), and monitored through a logframe based on the outputs, outcomes and impacts described in the ToC. The ToC has two key inputs, **the funding provided through the ‘funded elements’** (which includes funds for the Support Unit, funds for the Country Engagement Fund, funds for institutional members of the NDC Partnership and funds for the PAF), and the **UK’s membership of NDC Partnership.**

The activities from these inputs, which include the Support Unit’s main activities as described in section A, the recruitment of embedded advisors and facilitators, delivery of relevant technical assistance, as well as engagement in membership activities (such as being active participants of the Steering Committee) and significant cross Whitehall and embassy engagement - work together to deliver the following outputs:

1. **Improved coordination and quality of demand and supply of support** through the SU’s matchmaking efforts and in-country engagement.
2. **Capacity and capability of developing countries increases** through the deployment of embedded advisory support that builds institutional capacity, as well as dedicated and relevant technical assistance on NDC development, enhancement and implementation.
3. **Developing countries establish and enhance climate plans, policies, and processes** through technical assistance and the development of institutional capacity through the recruitment of embedded advisory support.
4. **More effective and joined up UK support driven by the Partnership**, which is powered by our internal cross Whitehall and embassy engagement which supports the coordination of our programmatic offer on NDCs.

These outputs then lead to two intermediate outcomes; **increased access to climate finance** and **NDCs are mainstreamed into development plans and budgets**, and then to two outcomes; accelerated NDC implementation and raised ambition and quality of climate action. Finally, these then lead to an overarching impact of **the goals of the Paris Agreement being achieved** – i.e. Paris Agreements processes are followed, and average global temperature rise is limited to 1.5oC.

This ToC, although specific to the UK support is closely aligned with the Partnership’s overarching ToC and MEL framework, especially at outcome and impact level. This commonality between the two supports data gathering and overall alignment of objectives, however for the purposes of this annual review, we will only be assessing impact across the ToC using the UK specific ToC as described and summarised in Figure 1.

A diagram of a process

Description automatically generated with medium confidence, Picture

Figure 1 - UK's NDC Support through NDC Partnership Theory of Change summary

All of the UK’s activities detailed though this ToC are in alignment with UK ICF objectives. The UK’s contributions to the Partnership support the delivery of wider UK government objectives and contribute to its role as an international climate leader that is enabling ambitious climate action. This ToC builds on the ICF 3.0 ToC, emphasising supporting country engagement and strengthening institutional capacity through ambitious climate action.

Progress against the expected outcomes and impact, and actions planned for the year ahead

The outcomes and impact detailed in the ToC are measured at the both the Partnership and the UK-contribution level through the logframe. The results for 2025 demonstrate that the Partnership as a whole is effectively leveraging resources and funding with a total of US$1.8bn of technical assistance being disbursed by partners to support requests developing countries have made through the NDC Partnership. For the reporting period the UK has disbursed over £15m, with £10m being focussed specifically to support countries to write their NDC3.0. 15 countries’ NDC enhancement has been supported by the World Bank and 19 countries’ NDC Enhancement has started to receive support from UNDP during this time. The UNDP has four other countries in the pipeline for NDC enhancement, and the World Bank has three.

The mainstreaming of NDCs into development plans and budgets is also being demonstrated with 61% of country members reporting that they have integrated NDC measures in the next cycle of national/subnational/sectoral development plans and/or budgets. This is double the baseline which was set in 2020 at the start of the 2020-2025 work programme demonstrating a significant shift, however further work is needed to ensure that more developing countries are actively mainstreaming NDC measures across their planning and a focus on building the institutional capacity to do this should be continued.

In terms of accelerated NDC implementation, 80% of members have reporting being on track or ahead of schedule in meeting NDC mitigation and adaptation targets. Although limited by self-reporting, this is encouraging and suggests a dedication and ambition to implement. With 64 countries also receiving support through ‘Partnership Plans’ there is momentum towards NDC implementation and action plans being created, and providing the basis for implementation, with support from a large number of implementing members, including MDBs. Further encouragement comes from the self-reporting on NDC ambition where 100% of countries being supported are indicating that they will submit NDCs with increased ambition this year. Some caution is applied here however, as we continue to await the submission of a significant number of NDCs ahead of COP30.

Logframe updates since the last review

The logframe being used to assess the results of the UK’s NDC Support through NDC Partnership was developed during the business case process and finalised over the past year in collaboration with the NDC Partnership Support Unit and internal DESNZ analytical specialists. The specific indicators have been agreed and targets set where able to, however several of the indicators do not yet have specific targets beyond the baseline due to capacity constraints and data availability issues. In part this is due also to the Support Unit being in the process of developing a new MEL framework for the Partnership as whole, which will form part of the new 2026-2031 work program which will be finalised this year, and several of the targets set at that level will read across to the UK specific logframe. The UK as a Steering Committee member will be a part of the decision making and sign off processes for the Partnership’s new MEL framework and logframe, which will be finalised in the next review period. New yearly and 2031 targets will be developed to assess results more effectively in the 2026 Annual Review and going forward.

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| **Section C: Output scoring** |

## Output 1

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| --- | --- | --- | --- | --- |
| **Output Title** | **Improved coordination and quality of demand and supply of support.** | | | |
| Output number: | | 1 | Output Score: | **A+** |
| Impact weighting (%): | | 20 | Weighting revised since last AR? | N/A |
| Risk rating: | | Minor | Risk revised since last AR? | N/A |

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| **Indicator(s)** | **Milestone(s) for this review** | **Progress** |
| 1.1 Number of developing country members 'actively engaged'\* in the Partnership -  \*Defined as having submitted a request for support in the preceding 2 years.  **(Partnership level)** | **Baseline (Dec 2020)**  113 member countries  61 actively engaged    **2025 target**  N/A | **92** developing country members were ‘actively engaged’ in the Partnership. However, as this was the first year that the SU measured this, there is no baseline.  This year’s result will be used as the baseline for future years, and we plan to influence the SU as Steering Committee members to set ambitious targets for next year as they develop their new MEL framework as part of the 2026-2030 Work Programme.  **Unscored (Progress cannot be assessed)** |
| 1.2 Number of developing country members receiving support via the Partnership.  **(Partnership level)** | **Baseline (Dec 2020)**  74 countries    **2025 target**  90 countries | **101** developing country members received support via the Partnership. Since 2020, the Partnership has consistently increased the number of supported developing countries.  **A+ (Progress moderately exceeded expectation)** |
| 1.3 Total number of partners providing support to requests by member countries, disaggregated by members and non-members  **(Partnership level indicator)** | **Baseline (Dec 2020)**  Members: 53  Non-members:84    **2025 Target**  Members:70  Non-members: N/A | **81** members and **229** non-members provided support to country requests circulated by NDC Partnership. Therefore, the result exceeded our expectations, with the SU significantly increasing their support beyond the baseline.  This year’s result will be used as the baseline in future years. We plan to influence the SU as Steering Committee members to set more ambitious targets for next year as they develop their new MEL framework as part of the 2026-2030 Work Programme.  **A+ (Progress moderately exceeded expectation)** |
| 1.4 Number of requests supported by development partners that the UK had engaged with and influenced to utilise the Partnership and/or funded.    **(UK level indicator)** | **Baseline (Dec 2020)**  N/A    **2025 Target**  2 | **30** requests were supported by development partners that the UK had engaged with to utilise the Partnership. This includes **19** countries supported by UNDP’s Climate Promise and **15** countries supported through the World Bank’s Climate Support Facility.  For this indicator, a modest target was set as the team hadn’t anticipated that we would have a full list of countries that the WB and UNDP were supporting through the Partnership at this stage. The target will be revaluated for next year’s annual review to reflect the full number of countries that we plan to support through both institutional partners.  **A++ (Progress significantly exceeded expectation)** |
| 1.5 Number of knowledge and learning products produced or convenings held that make use of the knowledge gaps identified through the partnership.  **(Partnership level)** | **Baseline (Dec 2020)**  N/A    **2025 Target**  50 | **298** learning products and/or convenings were held to fill identified knowledge gaps. Due to increased capacity, the SU has significantly exceeded the target. The target was set based on the experience of the Partnership’s last work program (2018-2020). Since then, the Support Unit’s ability to draw out learning from across its engagement in country has expanded substantially.  We plan to influence the SU as Steering Committee members to set more ambitious targets for next year as they develop their new MEL framework as part of the 2026-2030 Work Programme.  **A++ (Progress significantly exceeded expectation)** |
| 1.6 a) Number of member countries receiving Partnership support through Request for Support Letters (RSLs). **(Partnership level indicator)**  b) Number of member countries receiving UK support through RSLs  **(UK level indicator)** | **Baseline (Dec 2020)**   1. 20 2. N/A   **2025 Target**   1. N/A 2. N/A | **30** member countries received partnership support through RSLs due to increased focus on coordination between Implementing and Development Partners. While no target was set for this sub-indicator, there has been a 50% increase in partnership support through RSL from the baseline in 2020, which is promising.  **21** member countries received UK support through RSLs. However, there was no baseline or target set as this was the first year of reporting on this sub- indicator. This year’s result will be used as the baseline in future years and will help us establish targets at the UK level.  **Unscored (Progress cannot be assessed)** |
| 1.7 Number of organisations supported by the UK’s contribution to the partnership  **(UK Level)** | **Baseline (Dec 2020)**  N/A  **2025 Target**  14 | **14** ministries were supported by the UK’s contribution to the Partnership via the UK’s Country Engagement Fund. This does not include those countries supported via the institutional first response via UNDP’s Climate Promise and the World Bank’s Climate Support Facility as delivery under these two agreements only started at the end of this reporting period.  No baseline has been established as this was the first year of delivery across all elements. We will work to calculate an appropriate target that includes all elements of delivery for the next reporting year.  **A (Progress met expectation)** |
| 1.8 Number of member countries that received support from the PAF with disaggregation on total PAF funding allocated to countries receiving support  **(Partnership level indicator)** | **Baseline (Dec 2020)**  N/A  **2025 Target**  N/A | **28** member countries received support from the PAF to help them work on their NDCs.  The PAF does not have a baseline or a target as the number of countries supported is dependent on funding availability. As a multi donor fund this is unpredictable.  **Unscored (Progress cannot be assessed)** |

***Output summary and supporting narrative for the score***

This output received an overall score of **A+**. Where targets have been set for the output ‘**Improved coordination and quality of demand and supply of support’,** the programme has either moderately or significantly exceeded expectations.

With an increasing number of countries contributing to and benefitting from partner country support and particularly through Request for Support Letters (RSLs), there has been measurable improvement in the coordination of demand and supply of support.

A key part of the partnership’s offer is learning and with 298 knowledge products created and/or convenings held to fill identified knowledge gaps, the Partnership is improving coordination to facilitate knowledge building around climate action.

It has been more challenging to set targets and collect data for UK level indicators to measure the coordination and quality of demand and supply support because this is the first year of multi-element delivery. By next year we will be able to establish targets and create methodologies for data collection so that progress can be measured accurately reported on in next year’s annual review.

***Changes to this output, and any planned changes as a result of this review***

This is the first year of a new logframe and as such this is the first year that this output is being reported against, so there are no changes to report on. We will use this year’s results as a baseline for comparing future results and setting targets. We expect delivery partners to provide detailed reporting on the elements of the programme, which will give us more data on how well the Partnership is preforming and UK’s contributions towards that.

For indicator 1.5, where the target has been significantly exceeded, we plan to increase the target for next year. As this is a Partnership level indicator, we will work with the SU as a Steering Committee member to set more ambitious targets for next year as they develop their new MEL framework as part of the 2026-2030 Work Programme.

***Progress on recommendations from the previous AR, lessons learned this year, and recommendations for the year ahead***

As this is the first year of a new logframe, the recommendations from last year’s annual review do not relate to these outputs.

## Output 2

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| --- | --- | --- | --- | --- |
| **Output Title** | **Capacity and capability of developing countries increases.** | | | |
| Output number: | | 2 | Output Score: | **A+** |
| Impact weighting (%): | | 30 | Weighting revised since last AR? | N/A |
| Risk rating: | | Moderate | Risk revised since last AR? | N/A |

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| --- | --- | --- |
| **Indicator(s)** | **Milestone(s) for this review** | **Progress** |
| 2.1  (a) The total number of embedded advisors being funded by the Partnership (based on active contracts) **(Partnership level indicator)**  (b) The total number of embedded advisors being funded by the Partnership. (cumulative funded contracts over the course of the grant’s timeline) **(Partnership level indicator)**  (c)The total number of embedded advisors being funded by the UK. (based on active contracts)  **(UK Level indicator)**  (d) The number of embedded advisors being funded by the UK (cumulative funded contracts over the course of the grant’s timeline)  **(UK level indicator)** | **Baseline (Dec 2020)**  a) N/A  b) N/A  c) N/A  d) N/A  **2025 Target**  a) N/A  b) 110  c) 12  d) 12 | **60** in country facilitators and **32** embedded advisors with active contracts were funded by the Partnership. There is no target for this sub-indicator, as the Partnership as the type of support requested can vary year on year based on country needs, which is why the SU does not set specific targets for the type of advisors. However, as this was the first year that the SU measured this, there is no baseline.  **110** in country facilitators and **129** Embedded advisors – over the course of the Partnership. This significantly exceeds the target **110** target for this sub-indicator.  A total of **15** advisors (9 In-Country Facilitators and 6 Embedded Advisors) were funded by the UK through active contracts. This figure also represents the cumulative number of funded contracts over the grant’s lifetime, as this is the first year this metric is being measured. As a result, **the targets for sub-indicators 2.1c and 2.1d have been moderately exceeded.**  **A+ (Progress significantly exceeded expectation)** |
| 2.2 Number of countries supported by the Country Engagement Fund & Institutional member 'First Response   **(UK level indicator)** | **Baseline (Dec 2020)**  N/A  **2025 Target**  12 | A total of **41 countries** were supported through the CEF and institutional first member response. This includes:   * **12 countries** supported by the CEF * **19 countries** supported via the UNDP Country Programme (CP) * **15 countries** supported through the World Bank’s Country Support Facility (CSF).   However, 5 countries received support from more than one partner, so the final total is 41 countries.  For this indicator, a smaller target was initially set, as it only accounted for countries supported by the CEF. This is why the target has been exceeded by such a large amount. At the time, the team had not anticipated having a complete list of countries supported by the World Bank and UNDP through the partnership. The target will be re-evaluated in next year’s annual review to reflect the full scope of countries supported through both institutional partners and the CEF.  **A++ (Progress significantly exceeded expectation)** |
| 2.3 % of developing countries with embedded advisors funded through the Country Engagement Fund reporting they have increased knowledge or capacity for NDC implementation.  **(UK level indicator)** | **Baseline (Dec 2020)**  N/A  **2025 Target**  N/A | **71%** of developing countries with embedded advisors funded via the CEF reported that they have increased knowledge or capacity for NDC implementation.  Although, there is no target for this indicator, the result signals that a significant majority of advisors have more capacity for NDC implementation. This year’s result will be used as the baseline in future years and will help us establish targets at the UK level.  **Unscored (Progress cannot be assessed)** |

***Output summary and supporting narrative for the score***

This output received an overall score of A+. Where targets have been set measuring the output ‘**capacity and capability of developing countries increases’,** the programme has either moderately or significantly exceeded expectations.

The programme moderately exceeded expectations with the number of funded advisors deployed on a partnership and UK funded level. This embedded advisory support has contributed to building institutional capacity, as well as dedicated and relevant technical assistance on NDC development, enhancement and implementation.

For indicator 2.2, although the programme significantly exceeded the target this result does not necessarily reflect an overachievement in expectations. Instead, it shows that the original target of 12 which only included countries funded through the CEF, was a miscalculation of what we would be able to achieve via the different funding elements by the end of the reporting period. Therefore, this target will be reassessed for next year’s annual review, using this year as a baseline.

For indicator 2.3, progress could not be measured as no target was set. This was challenging as this is the first year of this logframe, so there was no baseline to set a target from. Although this indicator is unscored, a 71%, indicates a large majority, suggesting that the deployment of embedded advisors is effectively supporting increased capacity for NDC implementation and contributes towards building institutional capacity.

***Changes to this output, and any planned changes as a result of this review***

This is the first year of a new Logframe and as such this is the first year that this output is being reported against, so there are no changes to report on. We will use this year’s results as a baseline for comparing future results and setting targets.

We expect delivery partners to provide detailed reporting on the elements of the programme, which will mean we can set more meaningful targets in instances where we have underestimated capacity.

***Progress on recommendations from the previous AR, lessons learned this year, and recommendations for the year ahead***

As this is the first year of a new logframe, the recommendations from last year’s AR do not relate to these outputs.

## Output 3

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| --- | --- | --- | --- | --- |
| **Output Title** | **Developing countries establish and enhance climate plans, policies and processes** | | | |
| Output number: | | 3 | Output Score: | **B** |
| Impact weighting (%): | | 30 | Weighting revised since last AR? | N/A |
| Risk rating: | | Major | Risk revised since last AR? | N/A |

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| **Indicator(s)** | **Milestone(s) for this review** | **Progress** |
| 3.1 a) Percentage of member countries receiving Partnership support that have validated NDC Partnership Plans which are gender sensitive, gender aware, or gender responsive **(Partnership level indicator)**  (b) Percentage of member countries, supported by the UK, that have validated NDC Partnership Plans which are gender sensitive, gender aware, or gender responsive  **(UK level indicator)** | **Baseline (Dec 2020)**  a) 84%  b) N/A  **2025 Target**  a) 100%  b) N/A | **89%** of member countries receiving support have validated NDC Partnership Plans that are gender-sensitive, gender-aware, and gender-responsive. This reflects progress since the 2020 baseline, demonstrating the Partnership’s efforts to help countries mainstream gender into their NDCs. The Partnership set this target as aspirational and should be considered with this in mind.  As this is the first year of the new logframe, we do not yet have data on whether the countries we support have fully mainstreamed gender into their NDCs. This is something we expect to measure in next year’s annual review, once reporting from all delivery partners has been received.  **B (Progress did not meet expectation)** |

***Output summary and supporting narrative for the score***

This output received an overall score of B. For the only indicator under ‘**developing countries establish and enhance climate plans, policies and processes,** the programme did not meet targets set by the Support Unit.

This output was designed to include data at the partnership level and at the UK level. However, delivery of the institutional first response elements of the programme, did not start until the second half of this year. As a result, we have not yet received reporting from the World Bank and UNDP on how many countries funded by the UK have validated NDC Partnership Plans that are gender-sensitive, gender-aware, or gender-responsive. For FY 2025/26 our governance frameworks with the World Bank and UNDP will be fully established. This will enable us to collect the necessary data to report on this indicator at the UK level.

At a Partnership level, there has been an increase since 2020 in the number of NDCs that are gender aware, gender sensitive, or gender responsive. However, more work is needed next year to hold the Support Unit accountable for ensuring that member countries receiving support are actively working to mainstream gender in their NDCs.

***Changes to this output, and any planned changes as a result of this review***

This year the logframe built on the logframe of the previous Business Case by adding the sub-indicator b). We expect delivery partners across all elements of the programme to provide us with data to help us score this indicator at a UK level.

***Progress on recommendations from the previous AR, lessons learned this year, and recommendations for the year ahead***

As this is the first year of a new logframe, the recommendations from last year’s AR do not relate to these outputs.

## Output 4

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| **Output Title** | **More effective and joined up UK support driven by the Partnership** | | | |
| Output number: | | 4 | Output Score: | **A+** |
| Impact weighting (%): | | 20 | Weighting revised since last AR? | N/A |
| Risk rating: | | Moderate | Risk revised since last AR? | N/A |

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| **Indicator(s)** | **Milestone(s) for this review** | **Progress** |
| 4.1 Number of programmes and initiatives across HMG that have utilised information and tools from the Partnership for decision making  **(UK level indicator)** | **Baseline (Dec 2020)**  N/A  **2025 Target**  2 | **6 cross-Whitehall programmes and initiatives** have utilised information and tools from the Partnership for decision making.  These include:   * Mitigation Action Facility * Climate Finance Accelerator * UK PACT Board * Carbon Markets team for GGGI Article 6 Programme * International Forest Unit * The Access to the Climate Finance Taskforce   Performance has more than doubled the original target. Subject to available resources next year, the target will be increased to keep spreading awareness about the partnership across HMG.  **A++ (progress significantly exceeded expectation)** |
| 4.2 Number of HMG programmes that have been able to respond to and support requests received via the Partnership.  **(UK level indicator)** | **Baseline (Dec 2020)**  N/A  **2025 Target**  2 | 0 (to the programme team’s knowledge)  We have not been able to capture the data of how many HMG programmes have been able to respond and support requests via the Partnership. The team’s expectations for meeting this target were based on UK PACT supporting requests that were cancelled due to time constraints.  There is no baseline for this as it is a new indicator. We plan to build our engagement with other HMG programmes to meet our targets next year.  **B (progress moderately did not meet expectation)** |
| 4.3 Number of awareness raising sessions/outreach products delivered by DESNZ NDC Partnership programme team. **(UK level indicator)** | **Baseline (Dec 2020)**  N/A  **2025 Target**  10 | **15** awareness raising sessions and/or outreach products were delivered by the programme team. Therefore, the target was exceeded by 50%.  Subject to available resources next year, the target will be increased to keep spreading awareness about the partnership.  **A++ (progress significantly exceeded expectation)** |
| 4.4 Number of FCDO embassy teams who report that they understand what the partnership is and what it can offer they country they work in.  **(UK level indicator)** | **Baseline (Dec 2020)**  N/A  **2025 Target**  10 | **10** FCDO embassy teams reported that they understood what the partnership is and what it can offer the country they work in. Therefore, the target was achieved.  This year’s result will serve as the baseline. Subject to available resources next year, the target will be increased to keep improving engagement with FCDO.  **A (progress met expectations)** |

***Output summary and supporting narrative for the score***

This output received an overall score of **A+**. For all but one indicator under the output ‘**more effective and joined up UK support driven by the Partnership’,** the programme has either met or significantly exceeded expectations. This has been driven by internal cross Whitehall and embassy engagement which supports the coordination of the programmatic offer on NDCs.

There has been strong evidence of increased joined up UK support via multiple channels. For example, indicators 4.1 and 4.3 significantly surpassed their targets, demonstrating excellent progress in promoting the use of Partnership resources for decision-making across HMG, as well as in delivering outreach products such as awareness-raising sessions.

This output did not receive an A++ as the target of two HMG programmes being able to respond to and support requests received via the Partnership (indicator 4.2) was not met. This as an indicator is particularly hard to influence because it depends heavily on the resources and time constraints of other programmes.

Overall, the programme has achieved more effective and joined up support through HMG utilisation of Partnership resources, increased outreach productivity improved awareness of the Partnership across FCDO. These achievements justify the overall A+ rating.

***Changes to this output, and any planned changes as a result of this review***

This is the first year of a new logframe and as such this is the first year that this output is being reported against, so there are no changes to report on. We will use this year’s results as a baseline for comparing future results.

It is likely that the team will reassess the relevance of indicator 4.2 as the current indicators do not fully reflect the work done to support join up and have data collection limitations.

For indicators 4.1 and 4.3, where targets have been significantly exceeded, resource permitting, the team plans to raise the targets in order to increase ambition and continue enhancing the effectiveness of the UK's coordinated support for the partnership.

***Progress on recommendations from the previous AR, lessons learned this year, and recommendations for the year ahead***

As this is the first year of a new logframe, the recommendations from last year’s AR do not relate to these outputs.

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| **Section D: Programme performance not captured by outputs** |

As this has been the first year of the new Business Case, with completely new delivery elements, the programme team has been focused on ensuring that there is better coordination between the Support Unit, the UK, the World Bank and UNDP. Better coordination between NDC Partnership members ensures that the Partnership is fully utilizing the resources available through its institutional members.

This year the UK’s support has made a significant contribution to supporting the effectiveness of the Partnership’s Global Call for delivering NDC 3.0 and LT-LEDS updates. The Global Call aims to support countries in developing and aligning NDCs 3.0 and LT-LEDS through effective planning, transformative policy implementation, and tailored technical assistance. Without the support delivered through the NDC Support business case the demand from developing countries would have far exceeded the available support from the international community, undermining the central implementation mechanism of the Paris agreement.

Another important part of this year has been working on the New Work Programme. The Partnership operates in 5-year ‘work programs’, matched to the 5-year NDC cycle under the Paris Agreement which set out the overall strategic direction of the Partnership, the principles that members of the partnership sign up to, and the proposed areas of focus and modes of operation. The new 2026-2031 work program is now in the design stage and as a Steering Committee member the UK has a key role in shaping the new work programme and ultimately approving its sign off by the Co-Chairs (currently Brazil and Denmark) in the autumn ahead of COP30. The programme team has been actively involved in ensuring that the new Work Programme is in alignment with UK ICF priorities and captures our ideas for improving the delivery of support through the Partnership. The UK has supported the focus on core government capability to enable country ownership of climate action. During the discussions, the UK has been a strong advocate of leveraging collective efforts to unlock developing countries access to climate finance and using the NDC Partnership as a neutral broker between different climate finance stakeholders.

Lastly, the UK has been actively involved in discussions about building on the success of the Partnership Action Fund. UK’s team has been focusing on strengthening the role of the PAF in NDC implementation and building on the momentum of NDC 3.0 updates going forward.

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| **Section E: Risk** |

Overall risk rating**:**

**Moderate**

Overview of risk management

The complexity of the new Business Case required a new approach to risk management as we are managing multiple delivery elements under different delivery partners. This requires us to have good oversight of risks and issues across the portfolio. Throughout the reporting year, we have made efforts to prioritise continuous improvement of risk management through upskilling the team, stronger reporting, and enhancements to our monitoring processes.

We implemented monthly risk and issue register review cycles to identify, monitor, evaluate, and escalate risks as necessary. This regular review process helps us stay on top of potential risks and adjust our mitigation strategies accordingly. Additionally, instigating quarterly risk management workshops has been instrumental in providing space to discuss significant risks, such as those arising from geopolitical shifts and ODA budget cuts. These sessions enable the team to discuss and evaluate mitigation strategies collaboratively, whilst encouraging a culture of risk management amongst programme managers.

Half of the team undertook the Managing Successful Programmes (MSP) qualification and the other half plans to undertake APM Project Management Qualification. Both these qualifications emphasise risk management as a core component. These efforts to upskill have equipped the team with stronger risk management skills, enabling them to plan for and handle complex risks. The team has also recruited a new programme manager to increase the team’s programme management capacity. This recruitment has helped the team handle the increased complexity of the portfolio of elements, delivery partners and grants under them. These actions have formed a more proactive and meticulous approach to risk management, enabling the team to better identify, assess, evaluate, and monitor risks across all delivery elements.

In addition to the programme level risk management, a fraud assessment was completed during this review period to comply with central DESNZ requirements. During this assessment the key fraud risks identified included misuse of government funds, collusion, a changing of bank accounts, retention of funds in error, ineligible expenditure and retention of residual monies. The fraud risk of UK’s NDC Support across all elements was given a medium. Mitigating actions that will be undertaken throughout the life of the support package include a clear approach to managing fraud across our delivery partners, strict definitions of eligible expenditure, institutional processes for making payments to delivery partners that require several level of approvals and a due diligence process that deemed all our delivery partners to have strong fraud prevention policies.

## Current risks

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| --- | --- | --- |
| **Risk description** | **Mitigation strategy** | **Residual Risk rating** |
| There is a risk of reduced donor engagement and funding for the NDC Partnership's Support Unit and its implementing partners due to geopolitical changes and concerns about spending transparency. This could lead to decreased Official Development Assistance (ODA) allocations and a reduced focus on climate change by donor countries.  The impact includes a diminished ability of the Support Unit to facilitate key functions like matchmaking and knowledge sharing, and reduced support for developing countries. This may result in lower impact and ambition in developing, enhancing, and implementing NDCs. | Collaborate with the Support Unit to maintain core functions despite potential financial shortfalls.  Leverage our position within the Steering Committee to advocate for enhanced transparency and increased oversight of spending.  Contribute to the development of the 2026-2030 work programme, ensuring it reflects the realities of a lower-ODA world.  Support philanthropic engagement to lessen reliance on public finance and work internally to align with initiatives like the GCF readiness fund. | Major |
| There is a risk that the new 2026-2030 work program that is being developed this year will not correspond to the UK’s climate and development priorities.  This is due to the multilateral nature of the partnership and the conflicting views between donor countries, developing countries and implementing/development partners as to the core function of the partnership including its overall role in the climate finance space and how it should be supporting countries/the Paris Agreement processes.  The impact of this would be reduced impact of the processes and funding that we have put in place under the ‘NDC Partnership extension business case’, as well as reduced engagement across HMG should the Partnership’s remit and role not align with UK priorities. | We will collaborate with the Support Unit and other donors to ensure our priorities are reflected in the NWP and as a SC member. This includes:   * Advocating for a clearer position on the role for the Partnership, focusing on core government capability and institutional capacity building. * Strengthening engagement with Ministries of Finance and overall Whole of Government approaches. * Ensure the New Work Programme is socialised outside of the steering committee and can be used to influence seniors in relevant institutions like the MDBs and vertical funds such as the GCF. | Minor |
| There is a risk that, due to the planned cuts in ODA spend and the fact that the lifetime of the business case is across multiple spending review periods that there will be a decreased budget for ICF programming, which would likely lead to a reductions in UK's contribution to NDC Partnership's budget. | We have all Ministerial and HMT approvals and will also be working on the case for the added value of the UK's contribution for NDC Partnership for the review of the wider ICF Portfolio.  Ensure 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, gradual paying out of funds and the annual decision-making processes to allocate funding across all the elements. | Major |
| In relation to the risk above, there is an additional risk that we will not be able to procure an independent MEL partner as set out in the Business Case, due to the reduced budget and the need to prioritize core delivery of the support to the NDC Partnership. | We are working on different scenarios based on the funding availability and the need to prioritize different workstreams. We will also be working closely with the analyst team to establish the best way forward. | Moderate |
| There is the risk that safeguarding and/or fraud issues may arise. This is a particular risk for the CEF and PAF where we are funding individuals embedded within governments. This may result in long investigations that could hinder delivery and may cause reputational damage if not handle properly. | UNOPS are responsible for ensuring there are no safeguarding or fraud issues relating to the recruitment of embedded advisors via the Country Engagement Fund and the PAF.  In the agreement, UNOPS/SU have a requirement to report such issues to us immediately and explain how they are dealing with them. Should these incidents occur, there are organisation-wide policies that apply on the Delivery Partner to deal and resolve these incidents, should they occur. | Moderate |
| There is a risk of not been able to recruit for the embedded advisor roles because in some regions, it is hard to recruit local embedded advisors (e.g. Pacific). Also, some issues with salary might incur recruitment and retainment issues. This could lead to reputational issues for the SU/NDC Partnership as it may be perceived as paying poorly or inconsistently, leading to issues for delivery. | UNOPS hold the responsibility for this risk and will inform us through our governance channels of recruitment and retainment issues.  They will involve us and post where necessary if there are any negotiations issues we need to be involved in. | Moderate |
| There is a risk that PAF is not the most efficient utilization of UK funds. This is because UNOPS manages the fund and determines which countries the funds support. As the UK has limited control of the PAF, this could impact UK funds going to countries that are not the key priorities for us. | Mapping of the PAF supply chain to ensure the best VfM while balancing this with the PAF's purpose to ensure that no country is left behind.  Ensuring effective engagement in the governance of the PAF is key here. | Major |
| There is a risk that UNDP may not provide support or enough support for the agreed countries to submit their NDC 3.0 by COP30 because the Climate Promise is a multi-donor trust fund which we have less oversight of. However, this is unlikely as they have confirmed they're already providing support to 19 countries. There could be other factors limiting the delivery and this will have an impact on achieving the outcomes expected from our institutional first response support package. | We will have a discussion with UNDP at senior level to hold them to account. | Moderate |
| There is a risk that we may not have sufficient oversight of how our contributions are being spent because the WB CSF is a multi-donor fund which includes three different programmes including the NDC and LTS Support programme. This could result in our contribution not delivering on our aim of supporting countries to develop and implement their NDC 3.0. | We have a clear concept note with the World Bank and an active engagement in the Partnership Council/CSF advisory committees.  We also have regular working level governance meetings which allow us to continue to influence the spend. | Moderate |
| There is a risk that the MEL partner/system will not effectively showcase the impact of the UK's contribution to the NDC Partnership. If this happens, we may not have enough evidence to prove that UK support has delivered on the Business Case outcomes. | Ensure that we have a MEL system that places emphasis on the importance of showcasing the impact of the UK contribution to the Partnership through the various elements of our funding. This has already been done through our logframe and agreement to update. Also, if we recruit a MEL Partner, we need to ensure expectations are well set out in the commercial Agreement. | Moderate |

Outstanding actions from risk assessment

All outstanding risks above moderate are included above and are being managed through the processes detailed previously. These risks include some that were identified through the business case process and through the due diligence of delivery partners undertaken this year – namely UNDP.

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| **Section F: Programme management: delivery, VfM, commercial and financial performance** |

Summary of the performance of partners and DESNZ, notably on commercial and financial issues, and including consideration of VfM.

**Overall VfM**

This is the first year of delivery under the new Business Case, running from 2024 to 2031. The NDC Partnership is positioned by developed country core members as a primary vehicle to drive and unite their international climate programming, multilateral engagements, and bilateral country programming by committing funding across the three key modalities for Partnership engagement:

**The Partnership’s Support Unit**, which is responsible for operational costs, secretariat functions, country engagement, as well as knowledge and learning and is run by WRI, which the UK funds.

**First response** for addressing members’ requests for support through developed country bilateral funds, such as the **UK’s Country Engagement Fund** and **institutional member** **initiatives** and programmes such as **UNDP’s Climate Promise** or **The World Bank’s Climate Support Facility**, which the UK have provided funding for the first time this year.

**The Partnership Action Fund,** which is the NDC Partnership’s last-resort mechanism for addressing members’ requests for support and which the UK also has been funding.

The first year of the multi-element approach has been providing VfM through enabling rapid response to demand, first by providing support to the bilateral Country Engagement Fund, enabling countries to focus on their climate policy and develop their NDCs and in the 3rd and 4th quarters of the reporting year, we managed to provide funding to UNDP and the World Bank to further advance the goals of the Partnership. There were delays in getting arrangements agreed upon with the World Bank and UNDP, due to delays with due diligence, however the programme team was able to resolve those and provide the funding to enable developing countries to update their NDCs and work on their LTS ahead of COP30.

Additionally, we moved payments forward for the Partnership Action Fund to 2023 to ensure that demand for technical assistance would be met to enable countries to update their NDCs, as there was increasing demand from developing countries and providing funding ahead of schedule enabled countries to receive the technical assistance they needed.

Additionally, the programme team has been supporting overall VfM of the intervention by harnessing ready opportunities, such as the Climate Support Facility to deliver the programme’s aims.

Each of the elements has been providing Value for Money by having clearly agreed objectives and deliverables. The agreements include provisions for monitoring and reporting. We have fortnightly meetings with WRI and UNOPS to discuss the programme’s progress and finances. We have quarterly meetings with the World Bank and UNDP to ensure accountability. Having these governance arrangements in place ensures delivery partners are accountable for the use of funds and that progress towards the agreed objectives is tracked and reported regularly. This transparency helps to ensure that the funds are being used efficiently and effectively.

In terms of performance of the different elements, we are awaiting the first narrative and financial reporting for the Climate Promise, Climate Support Facility and the Country Engagement Fund to be provided to DESNZ in the Summer and Autumn of 2025, however our engagement with all Delivery Partners that work is being delivered as expected and according to the conditions outlined in the framework and administration agreements with UNOPS, UNDP, WRI and the World Bank. This ensures that the programme is performing as expected.

**Assessment against Economy**

The economy assessment considers whether inputs of the appropriate quality are at the right price. The key inputs of the UK’s support and engagement with NDC Partnership are:

* UK Membership of NDC Partnership.

Funding to enable support to be provided to developing countries via four elements:

* Funding of the Support Unit
* First response via the bilateral UK Country Engagement Fund (delivered by UNOPS)
* Institutional member first response mechanisms via UNDP and the World Bank
* Funding for support via the Partnership Action Fund.

Membership of the Partnership does not come with any direct costs, although does require staff capacity to engage and make the most of the UK’s contribution to the different elements. Being an active member of the Partnership ensures that the UK can benefit from the work and outputs of the Partnership, which delivers several benefits for developing countries and for the UK as a climate finance provider. This includes coordination with other donors and development partners, increased insight into the needs of developing country members, and a simpler and more streamlined way to ensure appropriate support can be provided to developing countries.

Our position as a funder and steering committee member also provides leverage and strengthens our position in international climate negotiations as it shows the UK to be an active member of an initiative dedicated to supporting countries to implement their NDCs and meet the goals of the Paris Agreement. Benchmarking of administrative fees for each element was done as part of the business case and forms part of the evaluation process for any new agreements/grants.

**Element 1 (Support Unit)** funding is delivered via WRI who act as co-host of the SU alongside UNOPS, and the UNFCCC. WRI is a non-profit organization with all funds being used to deliver. The selection of the co-hosts was a multilateral decision made by the initial members of the partnership and can only be changed through consensus. We have chosen to channel funding through WRI as there is a demonstrable need for funding to be channelled through this co-host to complement funds provided by other countries to UNOPS and the UNFCCC. This ensures that the Support Unit continues to deliver its objectives effectively.

Funding to the Support Unit represents around 22% of the total funding we are allocating to support NDC Partnership over the next 7 years, (funding availability dependent). We have been working with the Support Unit through WRI since the UK started providing funds to the Partnership in 2016 and they have proven to be a reliable partner, continuously focused on improving the delivery of the Partnership. The Support Unit’s role goes significantly beyond a traditional secretariat; their role includes guiding and facilitating the Partnership’s work programmes, ensuring delivery of the country engagement process, including donor coordination and matching, and enabling the various knowledge functions.

**Element 2 (Country Engagement Fund)** and **element 4 (Partnership Action Fund)** are delivered via UNOPS (one of three SU co-hosts). Co-host selection for these elements considered all aspects of VfM and concluded that UNOPS was the best choice from an ‘economy’ perspective and offered similar or higher efficiency, effectiveness, and equity to delivery through WRI.

UNOPS are a non-profit organisation, and covering their admin expenditure includes providing funds for legal, accounting, and contracting services to deliver the activities. Their administrative fee is consistent with other equivalent programmes delivered by UNOPS and is comparable with other technical assistance and capacity building delivery providers funded by the UK. It is consistent with other equivalent programmes delivered by UNOPS and is comparable with other technical assistance and capacity building delivery providers funded by the UK.

**Elements 1 and 2** being delivered by the Support Unit ensures economy as it places a large portion of the administrative and delivery burden onto the Support Unit, including due diligence, procurement, and reporting. It ensures that the most can be made of limited funding, with both economy and access advantages over the UK seeking to deliver the country engagement fund itself.

**Element 3 (Institutional First Response)** is being delivered by the World Bank and UNDP. These Delivery Partners were selected due to their global coverage, to ensure that countries are able to update their NDCs and LTSs in an efficient and coordinated way.

**Assessment against Efficiency**

Efficiency is defined here as how well the programme will convert inputs into the desired outputs, which in this case are improved coordination and quality of demand and supply of support, increased capacity and capability of developing countries to implement their NDCs, developing countries establish and enhance climate plans, policies and processes, and more effective and joined up UK support driven by the Partnership. The multi-element approach, and annual process of reviewing the balance of funding to each element and delivery partner in response to changing circumstances and emerging results, supports efficiency as UK funding can be scaled up or down to support activities with the highest potential for success.

This approach, which builds uncertainty and change into the design, is essential for both efficiency and effectiveness when delivering in complex contexts with rapidly changing political and economic situations.

For the first year of delivery under the new Business Case, 10 out of 16 indicators were either met, exceeded slightly or exceeded significantly (62.5 %), 2 were not met (12.5 %) and 4 had no targets for this year (25 %), however this year’s results will serve as a baseline.

**Element 1 (Support Unit)** has a strong track record of delivering high-quality outputs in line with targets since we started providing contributions to the NDC Partnership. Continuation of this has been ensured through a rigorous grant management process during this year of delivery. The NDC Partnership programme logframe measures outputs of the Partnership as a whole, as facilitated by the Support Unit. The Partnership is on track to meet or exceed the majority of these targets and has been consistent in its performance. At the Partnership level, 24 out of 29 indicators (83%) are on track to meet 2025 targets, with 18 (62%) exceeding their target. This is in large part due to the Support Unit’s focus on coordination between the members of the Partnership.

**Element 2 (Country Engagement Fund)** builds on the success of the UK TA Fund under the previous Business Case, which had a good track record of converting inputs (UK funding) to outputs (advisers/TA projects deployed). The options appraisal during the Business Case development process concluded that the scope of the bilateral fund should be narrowed, limiting activities to the deployment of embedded facilitators/advisers. This has helped to increase the efficiency of the fund by focusing delivery on activities most closely aligned to the Support Unit’s core country engagement work. Over the past reporting year, the CEF has provided funding for 12 positions and through effective, continuous engagement with the Support Unit and UK staff in country, the roles supported by the UK have helped to advance NDC 3.0 processes at country level by funding in country facilitators and climate finance advisors.

**Element 3 (Institutional member ‘first response’)** has been used to scale-up delivery of existing high-performing initiatives, Climate Support Facility for the World Bank and Climate Promise for UNDP, in response to growing demand. VfM of each intervention has been considered as part of the selection process. When providing support to countries on their NDC enhancement, UNDP leverages the results of its current portfolio of climate projects in a country, and builds on the foundations established through support under the first NDC revision cycle, which increases efficiency and reduces cost. The key output of a UK contribution to Climate Promise will be new NDCs, which we are expecting ahead of COP30 in Autumn, 2025. The Climate Promise has a track record of efficient delivery. UNDP Climate Promise supported 128 countries in their NDC enhancement in the previous revision period, UNDP have global presence, providing support in more than 170 countries and territories. This large footprint allows them to promote exchange of best practices and lessons learned which accelerate implementation while maximising the scope of action of a given project. Furthermore, UNDP’s climate promise has partnered with more than 30 international organizations and development agencies which ensures articulation and enhances implementation in countries.

**The World Bank’s Climate Support Facility** enables efficiency through providing the administration of fund transfers to a network of MDBs, ensuring that the most appropriate development bank can provide support to countries – which means that as a donor we do not need to set up individual agreements with each MDB. This coordination increases the speed of support delivery, reduces redundancy of support from multiple providers, and increases the quality of support through coordinating the complementary strengths of delivery partners. The CSF/its predecessor trust fund, the NDC Support Facility, has a track record of efficient delivery. In the last round of NDC updates the World Bank were a major delivery partner for the pooled multilateral Climate Action Enhancement Programme.

**Element 4 (PAF)** is a pooled fund. The fund supports the efficiency of international climate finance architecture by avoiding the need to set up a large number of new initiatives in response to small-scale demand. PAF improves the translation of inputs into outputs by avoiding duplicative set-up and administrative costs for the UK and other donors. As of February 2025, PAF had deployed US$ 32.24 million in PAF resources to 72 countries, effectively translating inputs (pooled funding from developed country members) into outputs - technical assistance delivered to 72 countries with low support rates and critical unsupported activities. Efficiency continues to be monitored through regular reporting and challenged where necessary via the PAF Advisory Group, with the main focus of discussion currently

being the extent to which the UK will continue funding in the following years and how the PAF will support the delivery of the new Work Programme.

**Assessment Against Effectiveness**

Effectiveness refers to how well the outputs (which are under the direct control of the delivery partners) achieve the outcomes (over which there is less control). High potential for outcome and impact level change was a key consideration in the calibration of delivery mechanisms and funding levels, undertaken as part of the options assessment. The multi-element approach will support effectiveness of UK funding by enabling support to be scaled up or scaled down based on emerging results. In the time of writing this annual report, we do not yet have the full data from UK’s Delivery partners, however it will be provided later in 2025 and that data will form the assessment of the effectiveness of delivery for the next (2025/2026) annual review.

**Element 1 (Support Unit)** guides and facilitates the overall results of the Partnership. To date the Partnership has supported 101 countries and mobilized 200 partners to provide technical assistance to support member countries to set more ambitious targets, put in place NDC implementation plans and associated policies and regulation, and mobilised financing for implementation.

**Element 2 (Country Engagement Fund)** targets a central part of the NDC Partnership model, supporting enhanced results through the deployment of embedded facilitators and advisers. In the first year of delivery, the CEF has supported 12 countries, which ensured that the target was met for this year, and built on the results of the previous business case. This increases the capacity of developing country governments to ensure outputs are used to enable the desired outcomes.

**Element 3 (institutional member ‘first response’)** has boosted the capacity of UNDP and the World Bank to increase the outputs they are delivering for the Partnership, which will contribute to achieving the Partnership’s outcomes. Although there were delays in signing the agreements with the World Bank and UNDP, once that was completed, both organizations have been providing UK’s funding to developing countries and our engagement with the two organizations indicates that the support being provided is what we outlined in our agreements. Due to increased funding from the UK, both organizations have been able to provide more support for NDC 3.0 updates and Long Terms Strategies, initial reporting delivered through our governance meetings shows that, with UK funding, UNDP have been able to start supporting 18 countries and the World Bank have been able to support 20 requests.

**Element 4 (PAF)** has been delivering activities since 2021. PAF has been successful in deploying support for critical support gaps and activities identified by the Support Unit. This support is aligned with a robust Theory of Change and is being delivered by institutional members with strong track records of contributing to the enabling conditions that allow the realisation of intended outcomes.

**Assessment Against Equity**

As the Partnership operates in developing countries, the legal framework for equity is the International Development Act, which requires the Minister to ‘have regard to the desirability of providing development assistance that is likely to contribute to reducing poverty in a way which is likely to contribute to reducing inequality between persons of different gender.’ The other protected characteristics in the Equality Act aren’t always as relevant outside of the UK, and as the Partnership has other donors there would need to be agreement about which characteristics to focus on which is why the Public Sector Equality Duty (PSED) analysis focused on gender.

Social Development is an intrinsic part of the Partnership’s model, which promotes a whole-of-society approach to designing and delivering NDCs. Recognising that achieving ambitious climate policy goals requires public acceptance, political will and capacity building within government and society, the whole-of-society approach involves engaging diverse stakeholders at multiple levels and across various sectors. This has included building internal technical capacity to mainstream gender equality and social inclusion, ensuring diverse perspectives are incorporated.

Delivery partners across all elements of UK support are expected to follow the Partnership’s whole-of-society best practice guidance in the design and delivery of activities.

Gender equality is a key focus for the Partnership, guided by the Partnership’s gender strategy. The Partnership’s independent midterm review and the independent review of the UK TA Fund (predecessor to the Country Engagement Fund) put forward recommendations to improve gender-related outputs and outcomes.

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| **Paris alignment pillar** | **Description of activity** |
| How have you taken a proportional approach to climate and environment risk assurance? | We carried out a climate and environment risk assessment as part of the writing the of the new Business Case. It determined that the programme is either very low risk, or the proposal has considered risk management measures to minimize hazard impacts and associated risks, and that the programme may therefore have a potentially higher threshold against current and anticipated risks. |
| How have you taken a proportional approach to using shadow carbon pricing? | N/A |
| Does the programme adhere to HMG’s fossil fuel policy? | Yes |
| Are you ensuring the programme does not undermine impacted countries climate plans? | As the programme is focused on providing capacity building and technical assistance for those plans, it does not undermine them |

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| Date of last narrative financial report | NA |
| Date of last audited annual statement | NA |