

**UNITED NATIONS DEVELOPMENT PROGRAMME**

**Bureau for Development Policy  
Environment and Energy Group**



UNDP global project: “*Strengthening national capacity of developing countries to develop policy options for addressing climate change across different sectors and economic activities, which could serve as inputs to Convention negotiating positions*”

## **PREPARING A WORKPLAN FOR THE INVESTMENT & FINANCIAL FLOWS ASSESSMENT**

**October 2008**



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## OVERVIEW

The materials developed under the UNDP project “*Strengthening national capacity of developing countries to develop policy options for addressing climate change across different sectors and economic activities, which could serve as inputs to Convention negotiating positions*” include 3 sets of guidance governments may use to assess investment and financial flows (I&FF) to address climate change in key economic sectors:

- (1) This indicative work plan guidance, which intends to provide countries with an overview of organizational and institutional matters to be considered at various stages of undertaking the I&FF assessment;
- (2) *The UNDP Methodological Guidebook on Assessing Investment and Financial Flows to Address Climate Change* (hereafter referred to as the Guidebook), which provides detailed methodological steps and a set of tools to assist countries to undertake the I&FF assessment.
- (3) *The UNDP Reporting Guidelines for Investment and Financial Flows Assessments to Address Climate Change*, which provide guidance for the reporting information collected and assessed based on the Guidebook methodology.

This guidance covers the three main stages of undertaking a I&FF assessment:

- 1) Preparation,
- 2) Implementation, and
- 3) Reporting.

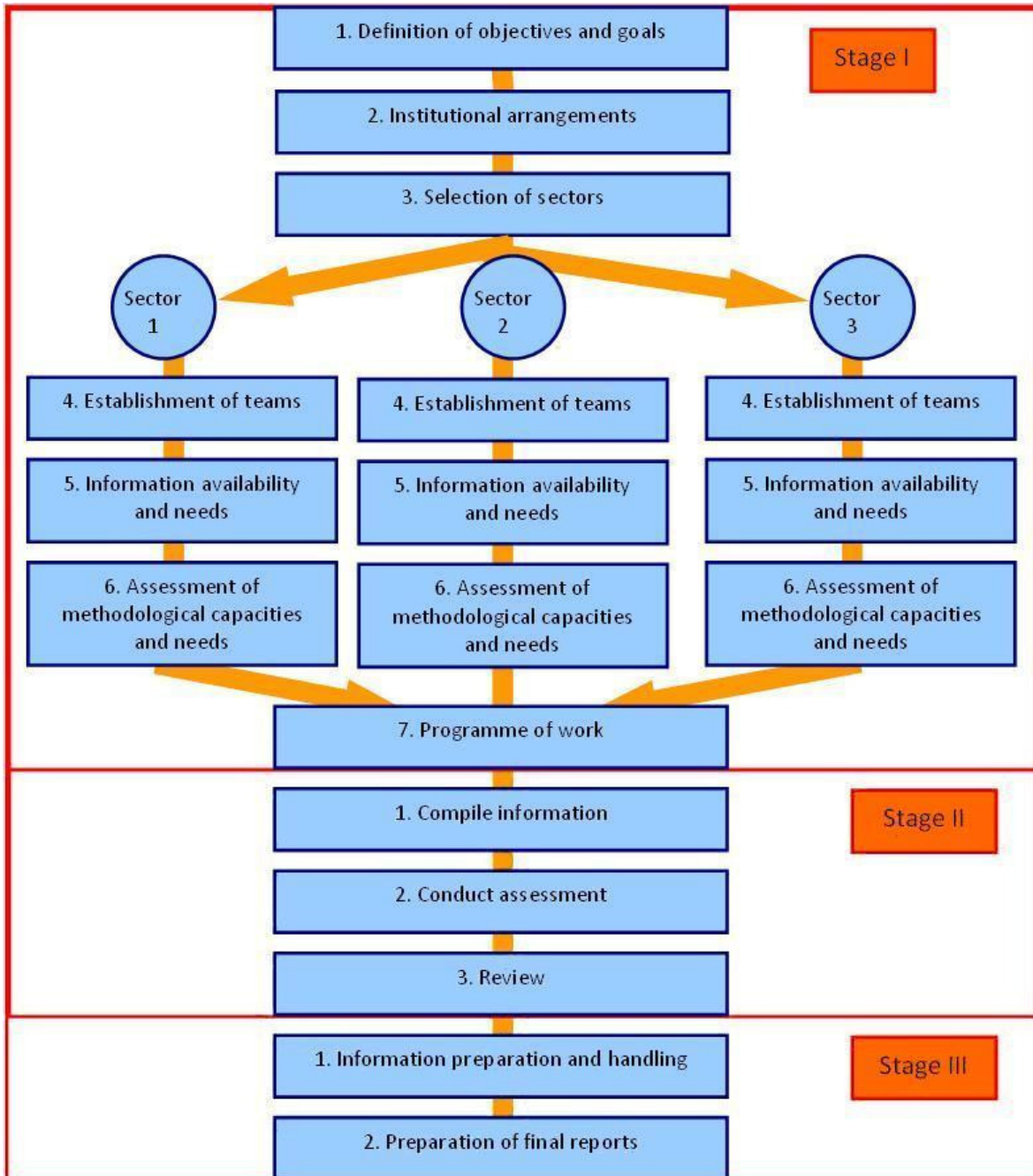
It provides detailed proposals on the key elements of preparing the work plan, including:

- The **workplan and budget** describe the anticipated tasks, who will do them and by what date, the expected actions and/or products at each stage and the resources budgeted. As with any project-oriented work, the workplan should define the objectives, the scope of the work, the tasks needed to accomplish the objectives, the staff that are responsible for each task, and the timeline for completing all tasks.
- The **I&FF team assessment preparation instructions** should contain more detailed, specific instructions so that the I&FF team can conduct their sectoral I&FF assessments:
  - on time;
  - with consistency across sectors,
  - in a format that allows for efficient compilation of the entire assessment; and
  - incorporating adequate quality assurance/quality control measures.
- The **reporting instructions** should contain all the information required for transparent documentation and archiving, such as:
  - file management control measures;
  - data-sharing procedures and timelines;
  - editorial directions (e.g., use of acronyms, instructions on what and how to report); and
  - documentation and archiving procedures.

Please note that this guidance will need to be adapted to specific national circumstances. For example, while generic Terms of Reference (TORs) are provided for the national expert teams, the project focal point will need to elaborate the TORs according to the key sectors that have been

identified. The assessment work will also depend heavily on national circumstances, national timelines, the sectors to be assessed, and information availability.

The Figure below provides an overview of steps in undertaking an I&FF assessment.



## I. PREPARATION STAGE

**Recommended time: 1-2 months**

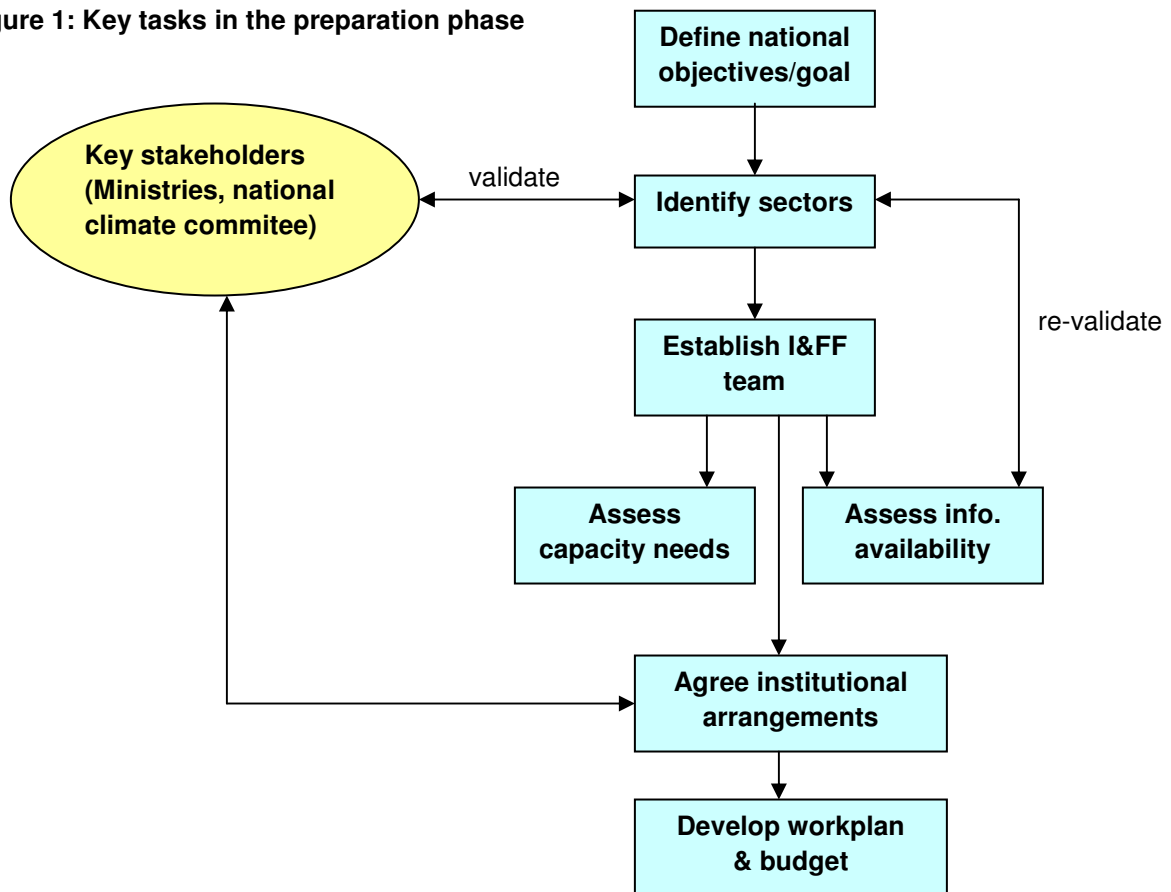
A robust preparatory stage is critical for ensuring that the I&FF assessments are carried out in a way that ensures the quality, consistency, relevance, pertinence and transparency of the final outputs. During this stage, it will be important for the project focal point to ensure the political and operational “buy in” of all relevant Ministries and government departments to be involved in the assessment.

There are eight proposed key tasks:

1. Define national objectives and goals for the assessment;
2. Identify and agree on the key sectors;
3. Establish I&FF teams;
4. Assess methodological capacities and needs;
5. Assess information availability and needs;
6. Agree institutional arrangements;
7. Develop the overall programme of work and budget;
8. Conduct training on I&FF assessment

These tasks are illustrated in Figure 1 and elaborated further below.

**Figure 1: Key tasks in the preparation phase**



## **1. Define national objectives and goals for the assessment**

**Recommended time: 2 days<sup>1</sup>**

Many of the decisions that are taken while conducting the I&FF assessment will have policy implications. Therefore, it is critical to ensure the initial engagement and continued participation of relevant stakeholders from various government Ministries and departments in the I&FF assessment. To initiate engagement of key line Ministries, the project focal point should define the national goals for the assessment and the rationale for its development in a brief policy note outlining:

- Rationale for the assessment;
- Main objectives of the I&FF assessment;
- Project requirements;
- Proposed institutional arrangements;
- Expected outputs; and
- Usefulness of the outputs in terms of policy design and policy making.

The overall goal of an I&FF assessment is to determine the magnitude and source of funds to address climate change concerns at a national level. Some of the key objectives of the I&FF assessment could be to:

- Increase the robustness of infrastructure design decisions and long-term investments for adaptation in vulnerable sectors;
- Increase understanding at the sectoral level regarding strategic choices involved in long-term technology investments for reducing GHG emissions;
- Evaluate the role that different sources of financing – both domestic and international – can play in shifting I&F flows;
- Estimate the effectiveness of current national efforts to address climate change and determine the level of resources needed to enhance future efforts;
- Improve public awareness about national development implications associated with climate change.

Achieving these objectives can help to identify potential financial barriers that prevent implementation of mitigation/adaptation actions and will inform an elaboration of appropriate policies that would aid in the removal of these barriers.

The desired outcome of a national I&FF assessment is greater awareness and understanding of future investments that can both address climate change and development priorities. Specifically, the I&FF assessment should yield the following outputs:

- A synthesis of information on current investment and financial flows for key sectors;
- A projection of future investment and financial flows in the absence of efforts to address climate change;
- An identification of measures to address climate change together with a projection of the future investment and financial flows associated with their implementation; and
- An assessment of the potential sources of, and role for, international and national funding entities to address climate change,

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<sup>1</sup> Bear in mind that the tasks are not always sequential and can sometimes be developed in parallel.

## **2. Identify and agree on the key sectors**

**Recommended time: 1-2 weeks**

### *Identification of key sectors*

Under the project, countries were invited to identify up to 3 key sectors/economic activities in which to conduct an assessment of I&FF to address climate change adaptation and mitigation options. Some generic criteria for the identification and selection of key national sectors (mitigation or adaptation) are provided below:

#### **Mitigation**

Relevance from an economic perspective to the enhancement or expansion of:

- National GHG emissions;
- GDP;
- Employment;
- Trade equilibrium;
- Fiscal revenues;
- Energy security or independence;
- Food security;
- Regional development.

Contribution to:

- National greenhouse gas emissions and mitigation needs;
- Social and other dimensions (e.g., environment, etc.);

#### **Adaptation**

- Adaptation needs (vis-à-vis major climate change impacts anticipated on the sector);
- Relevance from an economic perspective, e.g., if critical economic activity (agriculture, food production, etc);
- Social and other dimensions, e.g. cultural or historical site.

For the sectors identified, it is imperative that basic data sets be readily available as the funding and time available for the I&FF assessment under the project does not provide for conducting additional sectoral background research and analysis.

The sectors should also have been identified as key in national studies such as National Communications, National Adaptation Programme of Action, Technology Needs Assessments, etc, with some mitigation or adaptation options identified that can be taken into account during the development of the baseline and adaptation/mitigation scenarios during the I&FF assessment.

The scope of each key sector needs to be clearly defined. For example, food processing facilities could be included or excluded from the agriculture sector. The energy sector might include energy efficiency measures implemented by consumers. The broader the scope of the sector, the more complex the interactions will be to identify and assess and the greater the demands will be on data and other information sources.

The project focal point should confirm that sufficient information exists to support an I&FF assessment of the selected sectors by seeking inputs from the National Communications team on:

- data available for the selected key sectors and critical data gaps;
- models/approaches used for developing the adaptation/mitigation scenarios; and
- robustness of the adaptation/mitigation options identified.



### *Agreement on the sectors selected*

At this stage, on the basis of the criteria for sector selection, the key sectors identified should be confirmed with relevant stakeholders defined on a political basis, according to national priorities. While each country can develop their own approval process, it is recommended that general agreement be sought from the relevant line ministries that will be involved in the I&FF assessment, the UNFCCC National Focal Point(s), and the National Climate Change Committee.

## **3. Establish the I&FF teams**

### **Recommended time: 2-4 weeks**

The project focal point should undertake the following tasks in establishing the I&FF teams:

- Elaborate Terms of Reference for the I&FF team experts;
- Select sectoral team leaders;
- Agree overall deadlines and procedures with team leaders;
- Organise initial team meeting.

### *Elaborate Terms of Reference for the I&FF team experts*

The I&FF assessment will require the composition of a cross-functional team of experts drawn from relevant government Ministries and departments and the National Communication team. As appropriate, depending on expertise needed, the team could also include experts from non-governmental organisations (NGOs), as academia and research institutions, the private sector or consulting firms.

Each sectoral team should comprise, at a minimum:

- Mitigation or adaptation expert(s) (depending on selected sector and focus) that have been involved in preparation of other national studies, such as the National Communication, National Adaptation Programme of Action, or technology needs assessment,
- National expert(s) from the relevant line ministries or government departments that have knowledge of national plans and strategies for the selected sector;
- Expert(s) on finance and investments (preferably from the planning or finance ministry);
- Expert(s) on economic data and statistics (preferably from the institution responsible for maintaining national statistics or the central bank);
- Expert(s) from relevant NGOs or academic institutions, if they have been involved in studies on the selected sector ;
- Expert(s) from the private sector that are based in institutions with decision-making power over investments in the selected sector and/or with access to information on the sector.

For example, if an I&FF assessment is being conducted to assess mitigation options in the energy sector, then the team will need to include:

- Energy mitigation experts that have developed climate change mitigation scenarios and assessed mitigation options as part of the National Communications;
- Energy planning experts who can identify what technical options are available and feasible within national circumstances, and at what cost, who have experience and understanding of national planning and policies for energy, and who are knowledgeable about the key players and investors in energy;
- Experts from the national statistical office who have access to, and understanding of, relevant energy data that needs to be compiled; and
- Finance experts that can evaluate the costs of the policies and measures to be implemented.

The size and composition of the sectoral teams should be defined in terms that ensure the achievement of the objectives of the assessment in a timely manner rather than simply ensuring a broader participation. When assigning personnel, it is important to remember that lower level personnel and / or trainees may be less expensive than experienced senior and mid-level experts, but there may be costs incurred with training.

Teams should be structured to take advantage of existing institutional strengths as much as possible, e.g., by using staff from government departments with relevant expertise and access to data. A list of minimal competencies for the different types of experts is attached in Annex II.

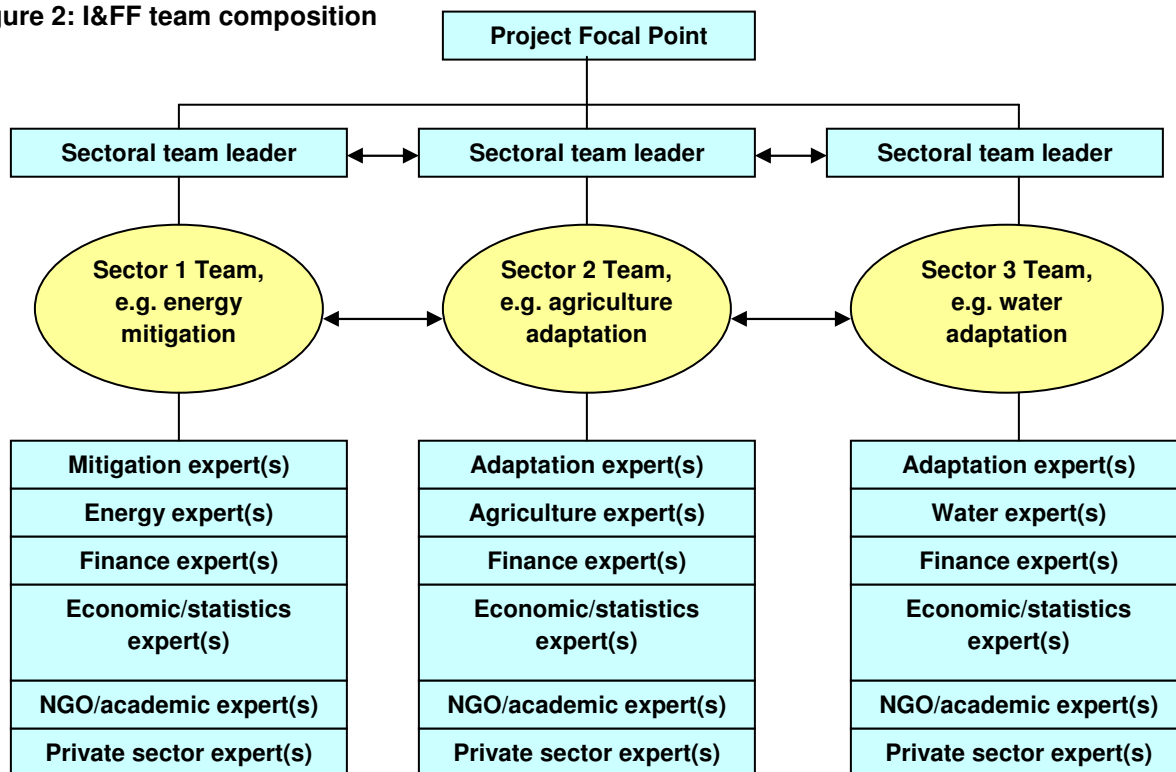
*Select sectoral team leaders*

The project focal point will need to establish separate I&FF teams for the sectors selected, each with a team leader. Overseeing I&FF preparation, implementation and reporting tasks requires an understanding of not only how to manage a large and complex analytical process, but also the technical aspects of the assessment. Therefore, the source team leaders should possess both administrative and technical expertise.

While each sectoral team will have its own timelines, the teams should also meet regularly to ensure coordination. In addition, the sectoral team leaders should confer with one another on a regular basis to ensure that the assessments are internally consistent, complete and logical.

Figure 2 illustrates the interactions between the I&FF sub-teams.

**Figure 2: I&FF team composition**



*Agree overall deadlines and procedures with team leaders*

The sectoral team leaders will be responsible for overseeing the assessment of I&FF flows for their sector, ensuring that the work is completed in a timely manner, while also ensuring consistency with the other assessments being conducted. Therefore, the project focal point should agree on the overall deadlines and rules of procedures with the sectoral team leaders.

The sectoral team leaders can also assist the project focal point in preparing the more detailed **I&FF team assessment preparation instructions** discussed in Section 3.

*Organise initial team meeting*

Once the I&FF team has been identified, the project focal point should organize a team meeting to introduce the I&FF objectives, distribute the User Guidebook and Reporting Guidelines and assign initial tasks to the sectoral team leaders and experts (see Tasks 4 and 5).

#### **4. Assess methodological capacities and needs**

**Recommended time: 2 days**

Under the project, each country will receive technical backstopping from a regional centre of excellence during the implementation of the I&FF assessment. This backstopping will consist of:

- Task 1.** Training in the use of the UNDP User Guidebook and methodology for assessing I&FF to address climate change (*In-country: 1 day per country, 2 experts from regional centre*)
- Task 2.** Review of national work plan and guidance on selecting specific methodologies and data sets for undertaking the I&FF assessments (*In-country: 2 days per country, 2 experts from regional centre*)
- Task 3.** Technical backstopping on a one-to-one basis during the implementation phase (*Email/phone-based: 20 days per country*)
- Task 4.** Technical desk reviews of the draft and final I&FF assessment (*Home-based: 9 days per country*)

The I&FF team should identify what additional methodological and technical capacities are available for the sectoral assessments, if required – in particular, for sectoral scenario elaboration, modeling and projections, as well as identification and selection of sector-specific policy options and costing of technology options.

The project focal point and sectoral team leaders should evaluate if additional technical assistance might be needed and for which tasks. If countries feel that they will need additional technical assistance for assessing the I&FF flows, this additional time/cost should be allocated from the national funding of \$100,000.

*Liaison with the regional centre of excellence*

As the technical backstopping will be an important element of support during the I&FF assessment, the project focal point should agree on co-ordination and technical assistance procedures with the regional centres, as well as the communications protocol. For example, is email or telephone contact preferred? What is the anticipated response time from the centre? What are the most

appropriate points for conducting the technical desk reviews? Will each sectoral team leader correspond with the centre, or will one person be in charge of coordination and the communications with the centre?

The project focal point should inform the UNDP project team of what has been agreed with the regional centre of excellence. UNDP Regional Technical Advisors and the UNDP project team should be copied on all correspondence with the regional centres.

## **5. Assess information availability and needs**

**Recommended time: 1-2 weeks**

The I&FF sectoral teams should conduct a stocktaking of all the existing information, data, national strategies and plans, and modelling/forecasting exercises that are available for supporting the I&FF assessment for each sector. Not all of this information is likely to reside in the Ministry of Environment or solely in the ministry where the focal point is established – other Ministries will have their own data banks and planning and strategic assessments.

Sources of information may include:

- National communications;
- National accounts;
- National statistic agency;
- Central bank;
- Specific governmental agencies (i.e. health department, irrigation agency, energy distribution companies);
- Banking industry associations;
- Industry associations;
- Academic research centres;
- Non governmental research centres;
- Regional statistics centres;
- International sources; and
- Other data sources.

Once the sources of information and data sets are compiled, the teams should:

- Ensure they have authorization to access specific data sets and information banks;
- Assess the quality and reliability of available information;
- Determine the missing or additional information requirements.

It is important to identify the various institutions that are the repositories of data that is needed to prepare the inventory. In cases where the information is not publicly available, legal and/or less formal collaboration arrangements may need to be established with the institutions so the data can be obtained in a timely manner and in the format required. Such institutions include national government entities (e.g., statistical offices, government ministries), regional and international organisations (e.g., Food and Agriculture Organization, International Energy Agency), research institutions, and private industry.

It is recommended that some form of written agreement (e.g., letter of understanding, letter of intent or a formal agreement) be established between the sectoral team and the institutions that hold the most critical data sets (and/or from whom staff will be used). This is discussed further in Task 6.

Other tasks may need to be conducted after conducting the compilation of information include:

- Information update;
- Statistical treatment of interrupted time series;
- Completion of missing observations through statistical treatment;
- Decision on procedures for:
  - Statistical models;
  - Projections;
  - Microeconomic models;
  - Partial equilibrium models.

The I&FF team should assess how it will acquire missing or additional information, and how this will impact upon the overall timeline of the I&FF assessment. If essential information cannot be sourced, the team may have to re-evaluate the decision to select the sector or assess how to modify its scope.

## **6. Agree the institutional arrangements**

**Recommended time: 1-2 weeks**

Confirmed participation of relevant stakeholders, agreement on means of access to information and data sets, and clear guidance on institutional contributions are some of the institutional arrangements that will need to be established during the preparation phase to ensure that the I&FF assessment is adequately supported at the institutional level. During the preparation phase, it is also important to look at the I&FF assessment as a whole – what relationships exist and which need to be developed.

The project focal point should carry out this task in consultation with the sectoral team leaders, and decide whether meetings with key institutions are needed. As noted above, it is recommended that some form of written agreement (e.g., letter of understanding, letter of intent or a formal agreement) be established with the institutions that hold the most critical data sets (and/or from whom staff will be used). Data confidentiality issues may need to be considered during this process, especially when data are to be obtained from industry. Systems will need to be established to ensure data confidentiality where needed.

During the process of identifying these institutions, possible candidates for review or quality assurance should also be identified. As meetings are held with these groups, it is also recommended to inform them of the overall schedule and encourage them to assist in the process by acting as expert reviewers. If interest is low, but the institution is important to the assessment process, the project focal point might wish to consider an awareness-raising campaign that targets the institution and focuses on benefits of being involved in the process.

While each country will have different institutional arrangements according to the national circumstances and governmental organization, some general recommendations include:

- Engage representatives at different levels from all relevant government ministries and departments that will be involved in the I&FF assessments;
- Ensure extended and meaningful participation in the I&FF assessments, as well as stability of the institutional agreements, through, for example, a signed Memorandum of Understanding;
- Define *ex ante* the structure of institutional working arrangements (e.g., will a steering committee format be used, or centralized decision making?);

- Define procedures, particularly those related to key project decisions and deliverables, for institutional coordination and interaction, e.g., How will the various teams work together (and how to ensure that they do)? How will the project ensure consistency and homogeneity in the manner in which teams undertake their activities, report, and provide deliverables?
- Agree upon a formal documentation procedure to ensure that assessment activities, the means by which they are carried out, the participants involved and their affiliation, are clearly and unequivocally recorded.

## **7. Develop the overall programme of work and budget**

**Recommended time: 1-2 weeks**

It is recommended that the project focal point organize another team meeting prior to finalizing the overall programme of work and budget. This team meeting could be in the form of a retreat for 1-2 days to obtain agreement on several key issues prior to undertaking the training for the I&FF assessment.

### *7.1. Define the scope of the sectors*

Decisions about the scope of the assessment should be related to feasibility criteria and national planning and policy priorities. However, decisions should also take into account as best as possible the need for reporting and for further compilation of national outputs by the project. The team should agree on the final scope for the assessment in each specific sector.

### *7.2 Adjustment of available scenarios and/or development of new scenarios*

One of the key steps prior to undertaking the I&FF assessment is to clearly define the mitigation/adaptation scenarios, both conceptually and operationally. Scenario determination will vary, depending whether the sectoral activity is a mitigation or adaptation one.

## **Mitigation**

In dealing with the reference (baseline) scenario, the tasks include:

- Determination of the overall sector structure;
- Determination of evolution dynamics of the sector;
- Projection of the reference situation into the future.

In dealing with the mitigation scenario, the tasks include:

- Definition of the mitigation scenario approach, e.g.:
  - Establishing emission reductions targets over the time length of the projections;
  - Selecting a set of technological options;
- Definition of a strategic policy approach to the sector:
  - Goals;
  - Key sub-sectors;
  - Growth and expansion patterns;
  - Identification of technology options;
- Selection of policy and technology options mix, in line with national sustainable development.

## Adaptation

In dealing with the adaptation scenario, the tasks include:

- Review of climate change impact modelling performed;
- Sector wide identification of relevant impacts/adverse effects;
- Consideration of the time deployment of impacts/adverse effects;
- Definition of adaptation strategy for the sector;
- Identification of sectoral adaptation policies and measures and technology options.

It is assumed that these scenarios have been developed as part of a previous national study, such as the National Communication. However, if the scenarios are not developed, the teams should work together, using expert judgement and existing national studies and strategies, to define at a minimum the baseline scenarios.

### *7.3 Develop detailed workplan*

Once the information available has been sourced, technical capacities and resources identified, sectoral scope defined, and scenarios defined, a detailed workplan can be developed. This workplan should contain:

- A detailed timeline with all interim products and deadlines noted;
- A matrix of staff and responsibilities; and
- A report drafting and review schedule.

When defining deadlines, it might be useful to start with the due date for the final version of the I&FF assessment and, based on a logical sequence of steps, work backwards to set the due dates for all the previous steps, taking into account the amount of time needed to complete each step. It is recommended that the workplan includes periodic team meetings to discuss progress and problems, and to decide how to address problems before they negatively affect the overall schedule. The workplan should also incorporate quality control and quality assurance reviews.

There may also be tasks to be undertaken after the I&FF assessment has been compiled and finalized, such as:

- Preparation of materials for use in outreach activities, e.g., flyers, press releases, government briefing notes;
- Completion of all documentation and archiving of electronic and paper materials.

### *7.4 Develop budget*

A significant portion of the costs for the I&FF assessment is likely to be for labour, so it is recommended that a staff matrix that defines person-hours or person-days by expert and task to be undertaken. All tasks should be budgeted, including training, research and data collection, QA/QC, uncertainty assessment, reporting and archiving.

In addition, non-labour expenses, such as paper, telephone calls, etc, should be included. The national focal point should also consider publishing the I&FF report for public dissemination. If so, appropriate budget should be set aside for the preparation, printing and distribution.

## **8. Hold training on the I&FF assessment**

**Recommended time: 3 days**

Once the preparation phase is completed, training in undertaking the I&FF assessment can be provided by the regional centre. The proposed training will consist of 1 day in the use of the UNDP User Guidebook and Reporting Guidelines for the I&FF teams. The regional centre will then work with the I&FF teams for an additional two days, reviewing and advising on the workplan, data sources, scenario development, and approach to the I&FF assessment.



### Checklist for Section I

1. Define the national objectives and goals for the assessments
  - Summarise rationale and key outputs of the I&FF assessment in a policy note
  - Engage relevant stakeholders from various government ministries and departments
2. Identify and agree on the sectors selected
  - Assess amount and robustness of background information that exists on the key sectors from other studies, e.g. National Communications, NAPA, national strategies and plans, etc.
  - Assess whether basic data sets from previous studies are readily available
  - Assess whether mitigation and/or adaptation options have been identified that are based on the development of scenarios
  - Obtain agreement from all relevant stakeholders on the sectors selected for the assessment
3. Establish the I&FF team
  - Elaborate terms of reference for the I&FF experts and identify suitable experts
  - Disseminate the User Guidebook and Reporting Guidelines to all team members
  - Identify sectoral team leaders and agree overall deadlines and procedures
  - Organise initial team meeting
4. Assess methodological capacities and needs
  - Assess the capacity of the I&FF team and what additional training may be required
  - Assess if there is existing national capacities that could be used to fill capacity gaps, if required
  - Factor additional training into national budget for I&FF assessment, if required
  - Establish technical assistance and communications protocol with regional centre of excellence
5. Assess information availability and needs
  - Conduct a full stocktaking done of all existing information, data, national strategies and plans, and modeling exercises that are available to support the sectoral I&FF assessments
  - Identify mechanisms for ensuring access to necessary data and information (e.g., MOU)
  - Assess and agree approaches for addressing data and information gaps
  - Review and revalidate sectoral selection in context of the information availability assessment
6. Agree institutional arrangements
  - Engage stakeholders at different levels from all relevant decision-making governmental areas
  - Define the structure of the working arrangements with MOU, letter of intent, or other arrangement
  - Address data confidentiality issues
  - Identify possible candidates for quality control or quality assurance roles
  - Embark on awareness-raising campaign to engage key stakeholders, if required
7. Develop the overall programme of work and budget
  - Hold team meeting to agree and finalise:
    - Scope of boundaries
    - Definition of scenarios
  - Develop detailed workplan
  - Develop budget
8. Hold training on the I&FF assessment
  - Identify suitable dates for training with regional centre
  - Ensure all I&FF team members will be present for training
  - Provide workplan and national data and information to regional centre well in advance of training

## II. IMPLEMENTATION STAGE

**Recommended time: 4-5 months**

The implementation of the I&FF assessments should follow the *UNDP Methodology Guidebook on Assessing Investment and Financial Flows to Address Climate Change*.

In preparation for this stage, the sectoral team leaders should prepare detailed, specific **I&FF team assessment preparation instructions** so that the I&FF team can conduct their sectoral I&FF assessments:

- on time;
- with consistency across sectors,
- in a format that allows for efficient compilation of the entire assessment; and
- incorporating adequate quality assurance/quality control measures.

These rules of procedure should be defined and distributed to the I&FF sectoral team *prior* to starting work to help ensure consistency across the sectoral assessments. Therefore, the sectoral team leaders will need to finalise and agree the procedures together.

Among the tasks to consider are:

- **Documentation.** Requirements for:
  - referencing data sources in spreadsheets;
  - dating files; and
  - maintaining paper copies of references for archiving.
- **Spreadsheet management:** Requirements for :
  - managing electronic files, especially version control (e.g., how to name files so there is no confusion about which version is the most current, who will collect revised files, etc);
  - requirements and guidelines for spreadsheet entries;
  - requirements for calculations and references.
- **Quality assurance/quality control (QA/QC):** The scale of QA/QC will depend on available resources, but it is recommended that QA/QC procedures include, at a minimum, routine internal review procedures (e.g., spot-checking spreadsheets for correct data entry, consistent formulas and complete documentation) and at least one round of external peer review – using both national reviewers from institutions (as discussed in Task 6 of the Preparation Phase) and the regional centres of excellence. The work plan should state the minimum levels of QC that need to be met, as well as recommendations for more rigorous QC if sectoral team leaders decide that sufficient resources are available. The work plan should also include a schedule for QA procedures, lay out internal responsibilities (e.g., who will distribute materials for external review and will collect and disseminate review comments), contain a list of external reviewers and include instructions for incorporating and tracking revisions based on comments received.
- **Archiving:** The rules of procedure should contain requirements on what needs to be archived (both electronic and paper records), due dates for delivery and specific formatting or notational instructions. For example, if an activity data source is a very large electronic database that is impractical to archive, then a memo to the inventory archive that contains the title of the database, the website, a description of how the database was used and a paper copy of relevant sections of the database may be sufficient for archiving.

**Checklist for Section II**

1. Prepare I&FF assessment preparation instructions that include guidance on:

- Documentation*
- Spreadsheet management*
- Quality control and quality assurance procedures*
- Archiving*

2. Conduct I&FF assessment

### III. REPORTING STAGE

**Recommended time: 3-6 weeks**

In addition to following the *UNDP Reporting Guidelines for Investment and Financial Flows Assessments to Address Climate Change*, the country needs to undertake a number of steps to ensure proper reporting and maintenance of data collected and assessed.

In preparation for this stage, **reporting instructions** should be prepared that contain all the information required for transparent documentation and archiving, such as:

- file management control measures;
- data-sharing procedures and timelines;
- editorial directions (e.g., use of acronyms, instructions on what and how to report); and
- documentation and archiving procedures.

**Guidelines should also be provided for the report write-ups to achieve consistency across the sectoral assessments.** These guidelines could include:

- structure and content of write-ups (i.e., an outline or description of what should be contained in each section, examples of the required tables and style guidelines, etc);
- formatting (e.g., format for each level of heading, procedures for use of common acronyms and units, reference format, table formats).

In some cases, it may be most efficient to distribute templates to the sectoral teams. Such guidance will avoid time-consuming and laborious harmonising of different formats and styles after report sections are written.

The workplan should include the deadlines for delivering draft sectoral reports for review by national peer reviewers and the regional centre of excellence, as well as the final, compiled report that should have an additional review by the regional centre of excellence.

As noted earlier, documentation and archiving are an important element of the I&FF assessment. It is recommended that the I&FF team archive full documentation for the I&F flows assessment, so that each step is transparent and consistent and no team member has to redo work that has already been done in the course of the IF& flows assessment. In addition, documentation and archiving may be necessary to justify the work to political officials or the public.

It is important to use a standardised documentation and archiving system for both numerical and qualitative information and to undertake documentation *throughout* the preparation process. Documentation and archiving procedures, which will have been defined in the **I&FF team assessment preparation instructions** should include standardised procedures for documenting spreadsheets and text sections, as well as procedures for dating files and for keeping paper and electronic copies of files, reference materials and other sources of data.

In addition, the teams should compile:

- complete descriptions of the data assessment and manipulation processes, including the sources of data that were evaluated;
- why a particular data source was chosen and why others were not chosen;
- what assumptions were made in manipulating or choosing data for final use;
- complete references for the data; and
- responses to internal and external review comments.

**Checklist for Section III**

1. Prepare reporting instructions that include guidance on:
  - file management control measures;*
  - data-sharing procedures and timelines;*
  - editorial directions (e.g., use of acronyms, instructions on what and how to report); and*
  - documentation and archiving procedures*
  
2. Prepare final I&FF assessment report

## **Annex I: Minimal competencies for experts in the I&FF teams**

### **For mitigation:**

#### Competencies:

- Excellent knowledge of climate change mitigation in the context of the sector under assessment
- Strong analytical, writing and communication skills
- Able to work independently with no supervision

#### Education:

- Advanced post-graduate degree in environment, energy, economics, or a closely related field

#### Experience

- National experience
- Participation in preparation of national communications / NAPAs / other national studies; (3) involvement / link to different national gvt agencies / data providers.
- At least 5 years' experience in climate change mitigation

### **For adaptation:**

#### Competencies:

- Excellent knowledge of climate change adaptation in the context of the sector under assessment
- Strong analytical, writing and communication skills
- Able to work independently with no supervision

#### Education:

- Advanced post-graduate degree in environment, energy, economics, or a closely related field

#### Experience:

- National experience
- Participation in preparation of national communications / NAPAs / other national studies; (3) involvement / link to different national government agencies / data providers.
- At least 5 years' experience in climate change adaptation

### **Sectoral expertise:**

- Excellent knowledge of sector structure, status and trends; policy and measures appropriate for the sector: and technology options
- Strong analytical, writing and communication skills
- Advanced post-graduate degree in environment, energy, economics, or a closely related field
- At least 5 years' working experience in the specific sector

### **Finance and investments:**

- Excellent knowledge of financial sector structure, status and trends; financing options, investment and financial costs

**Economic and Statistical Data:**

Excellent knowledge of economic and statistical data at the country level, national accounts, and time series in the relevant sector.

**Sector or Industry Knowledge:**

Excellent knowledge of sector structure, market share and structure, key actors, and investment decision patterns.

## Annex II: Proposed planning table

STAGE	TASK	RESPONSIBLE	OUTPUTS
<b>I. PREPARATION</b> <b>STAGE:</b> 1-2 months	<b>1 Define national objectives &amp; goals</b> <b>1a</b> Define national objectives & goals <b>1b</b> Prepare policy briefing note <i>Task time: 2 days</i>	<b>1a.</b> National project focal point <b>1b.</b> National project focal point	<ul style="list-style-type: none"> <li>Policy briefing note</li> </ul>
	<b>2 Identify key sectors for I&amp;FF assessment</b> <b>2a</b> Identify and agree on the key sectors for which I&FF assessment will be undertaken <b>2b</b> Prepare summary on sector selection for inclusion in work plan document and submit for information to UNDP HQ project <i>Task time: 1-2 weeks</i>	<b>2a.</b> National project focal point with relevant ministries <b>2b.</b> National project focal point	<ul style="list-style-type: none"> <li>1-2 page document summarizing sector selection</li> </ul>
	<b>3 Establish the I&amp;FF team</b> <b>3a</b> Advertise TORs for national experts/institutions, using work plan guidance (refer to Annex I) <b>3b</b> Shortlist & identify i&FF project team <b>3c</b> Prepare evaluation of experts/institutions for inclusion in work plan document and submit for information to UNDP HQ project <b>3d</b> Hold initial team meeting with I&FF project team to distribute materials and brief on tasks <b>3e</b> Prepare summary of initial team meeting <i>Task time: 1-2 weeks</i>	<b>3a.</b> National project focal point <b>3b.</b> National project focal point with guidance from UNDP Country Office on procurement rules/regulations <b>3c.</b> National project focal point  <b>3d.</b> National project focal point  <b>3e.</b> National project focal point	<ul style="list-style-type: none"> <li>Terms of Reference</li> <li>CVs of experts to be hired</li> <li>Evaluation/justification for selection of experts</li> <li>Identification of sectoral team leaders</li> <li>0.5-1 page summary of initial team meeting</li> </ul>
	<b>4 Assess methodological capacities and needs</b> <b>4a</b> Assess methodological capacities and technical assistance needs <b>4b</b> Prepare summary of technical assistance needs for inclusion in work plan document and submit for information to UNDP HQ project <i>Task time: 2 days</i>	<b>4a.</b> National project focal point & sectoral team leaders <b>4b.</b> National project focal point	<ul style="list-style-type: none"> <li>1 page assessment of technical assistance needs</li> </ul>
	<b>5 Assess information availability and needs</b>		<ul style="list-style-type: none"> <li>1-2 page summary document</li> </ul>



	<p><b>5a</b> Identify data sources and data gaps  <b>5b</b> Compile core information resources (e.g., National Communication studies, Ministerial strategies, etc)  <b>5c</b> Identify information gaps  <b>5d</b> Outline strategy for overcoming gaps  <b>5e</b> Prepare summary of materials compiled and/or to be compiled  <i>Task time: 1-2 weeks</i></p>	<p><b>5a.</b> I&amp;FF project team  <b>5b.</b> I&amp;FF project team    <b>5c.</b> I&amp;FF project team  <b>5d.</b> Sectoral team leaders  <b>5e.</b> Sectoral team leaders</p>	<p>listing key data, information and national studies and plans to be sources</p> <ul style="list-style-type: none"> <li>• 1 page assessment of data and information gaps and how they will be overcome</li> </ul>
	<p><b>6 Agree institutional arrangements</b>  <b>6a</b> Engage ministries/private sector/other sources of key data and information on I&amp;FF assessment needs  <b>6b</b> Agree institutional arrangements for procuring data and information (and in what format)  <b>6c</b> Prepare summary for inclusion in work plan document  <i>Task time: 1-2 weeks</i></p>	<p><b>6a.</b> National project focal point or sectoral team leaders  <b>6b.</b> National project focal point or sectoral team leaders with relevant ministries  <b>6c.</b> National project focal point</p>	<ul style="list-style-type: none"> <li>• Summary of institutional agreements and procedures (0.5-1 page)</li> </ul>
	<p><b>7 Compile the work plan and budget</b>  <b>7a</b> Compile summary from Tasks 1-6 for inclusion in work plan  <b>7b</b> Prepare timeline for training, implementation, and reporting, including key milestones and deliverables and roles/responsibilities  <b>7c</b> Prepare associated budget (see additional guidance below)  <b>7d</b> Submit to UNDP HQ for approval  <i>Task time: 1-2 weeks</i>    <b>7e</b> Work plan reviewed &amp; comments provided  <i>Task time: 1-2 weeks</i>    <b>7f</b> Work plan revised based on comments  <i>Task time: 1week</i>    <b>7g</b> Work plan submitted to UNOPS for contracts</p>	<p><b>7a.</b> National project focal point    <b>7b.</b> National project focal point &amp; sectoral team leaders    <b>7c.</b> National project focal point &amp; sectoral team leaders  <b>7d.</b> National focal point    <b>7e.</b> UNDP HQ project team &amp; regional centres of excellence    <b>7e.</b> National focal point    <b>7e.</b> UNDP HQ project team</p>	<ul style="list-style-type: none"> <li>• Elaborated work plan, with timeline for deliverables and milestones, and associated budget</li> </ul>

	<i>Task time: 1 week</i>		
	<b>8 Undertake I&amp;FF training</b> <b>8a</b> Identify training date with regional centre <sup>2</sup> <b>8b</b> Agree agenda and format for training <b>8c</b> Undertake training (1 day) <b>8d</b> Review and revise implementation and reporting elements of submitted work plan, as required <i>Task time: 1-2 weeks</i>	<b>8a.</b> National focal point <b>8b.</b> National focal point & regional centre <b>8c.</b> National focal point & regional centre <b>8d.</b> National focal point & regional centre	<ul style="list-style-type: none"> <li>Revised work plan, with timeline for deliverables and milestones, as required</li> </ul>
<b>II. IMPLEMENTATION STAGE</b> 4-5 months	<b>9 Prepare I&amp;FF team assessment preparation instructions</b> <i>Task time: 1-2 weeks</i>	9. National focal point and/or sectoral team leaders	<ul style="list-style-type: none"> <li>Brief guidance instructions for I&amp;FF team</li> </ul>
	<b>10 Conduct I&amp;FF assessments</b> <i>Task time: 4-5 months</i>	10. I&FF team, under guidance of sectoral team leaders and national focal point	
	<b>11 Compile draft sectoral reports and perform quality assurance/quality control</b> <b>11a</b> Compile draft reports <b>11b</b> Undertake QA/QC <b>11c</b> Submit for review to UNDP HQ and regional centre <i>Task time: 1-2 weeks</i>  <b>11d</b> Reports reviewed & comments provided <i>Task time: 1-2 weeks</i>  <b>11e</b> Reports revised based on comments <i>Task time: 1 week</i>	<b>11a.</b> Sectoral team leaders <b>11b.</b> Identified QA/QC experts <b>11c.</b> Project focal point  <b>11d.</b> UNDP HQ and regional centre  <b>11e.</b> Sectoral team leaders	<ul style="list-style-type: none"> <li>Draft sectoral reports prepared and reviewed for quality</li> <li>Draft sectoral reports reviewed</li> <li>Draft sectoral reports revised</li> </ul>
<b>III. REPORTING</b>	<b>12 Prepare reporting instructions</b> <i>Task time: 1 week</i>	12. Sectoral team leaders	<ul style="list-style-type: none"> <li>Brief reporting instructions for I&amp;FF team</li> </ul>

<sup>2</sup> Identification of training dates should be undertaken well in advance of anticipated training time so that regional centres can ensure availability of experts and organize flights.

<b>STAGE</b> 3-6 weeks	<b>13 Compile reviewed I&amp;FF sectoral assessments into one document and prepare summary for policy makers</b> <i>Task time: 1-2 weeks</i>	<b>13.</b> Assigned member(s) of I&FF team	<ul style="list-style-type: none"> <li>Compiled final I&amp;FF report</li> <li>Summary for policy makers</li> </ul>
	<b>14 Prepare awareness-raising materials to promote assessment</b> <i>Task time: 1-2 weeks</i>	<b>14.</b> Assigned member(s) of I&FF team	<ul style="list-style-type: none"> <li>Awareness-raising materials on I&amp;FF assessment (optional)</li> </ul>
	<b>15 Complete all documentation and archiving tasks</b> <i>Task time: 1-2 weeks</i>	<b>15.</b> Assigned member(s) of I&FF team	<ul style="list-style-type: none"> <li>I&amp;FF assessment fully documented and archived</li> </ul>

## BUDGET

The following is an example of a budget that could be prepared and submitted to UNDP. Each country will have its own costing needs.

<b>Personnel costs</b>					
<b>Name of expert</b>	<b>Institution</b>	<b>Expertise</b>	<b>Rate</b>	<b># days</b>	<b>Total cost</b>
	e.g. Ministry of Finance	e.g., financial assessments	200	10	2000
	e.g., consulting firm	e.g. energy planning			
	e.g. Bureau of Statistics	e.g. archiving			
	e.g. consultant	e.g. climate mitigation			
	Private sector	e.g. editing			
<b>Material costs</b>					
Data collection					
Communications					
Team meetings					
Printing costs, etc					