Approach, Methodology and Work Plan for the First Independent Evaluation of the PMR

Jouni Eerikainen

Evaluation Team of University of Southern California, Development Portfolio Management Group (USC/DPMG)

27.5.2014
Evaluation Team Organization

Xavier Legrain, DPMG Director
former Director of the World Bank Quality Assurance Group (QAG)
Core Evaluation Team

- **Dr. John Redwood II, Team Leader**
  - John Redwood brings to the Team his experience on policy, program and project quality assurance and evaluation; he has been the Team Leader in Independent Evaluation Group (IEG) evaluation on WBG Environmental Sustainability. He is independent consultant since 2008 after working 20 years at World Bank e.g. as Director, Environmentally and Socially Sustainable Development Dept. (LAC) and Senior Advisor at the Independent Evaluation Group (IEG)
  - Environment (particularly climate change), agriculture and rural development, urban and regional economics and development. Policy, program and project quality assurance and evaluation (evaluation on WBG Environmental Sustainability)

- **M.Sc. Jouni Eerikainen, Team Member**
  - Jouni Eerikainen brings to the team his 11 years experience on environmental evaluation at IEG and EBRD. He is independent consultant since 2013.
  - Environmental technology and evaluation: oil, gas, mining, energy, infra, agri, financial intermediaries, forestry, manufacturing. Thematic evaluations; EBRD Environmental Performance, EBRD Energy Efficiency, WBG Environmental Sustainability, WBG Climate Change II, WBG Safeguard and Sustainability Policies

- **Dr. Mark Trexler, Team Member**
  - Mark Trexler’s strength is his 25 years experience on climate change and carbon markets from private sector, DNV and WRI. He is Director of Climatographers.
  - Climate change and risk. Corporate strategic planning, climate risk scenario development, carbon offset project development, carbon market, emissions trading programs and projects, climate change adaptation. One of IPCC Lead Authors
Objectives of the Evaluation (TOR)

1. Develop a detailed Evaluation Framework for periodic evaluations with key questions and indicators to:
   - Review the conduct of market readiness activities and piloting of carbon pricing instruments in all countries and common MRP elements
   - Assess the interactions between the PMR's global processes and implementation at the country level

2. First Independent Evaluation
   - Conduct an evaluation of the PMR’s technical work, knowledge sharing and capacity building program at the country, regional and global levels, including PA work, and WB as delivery partner
   - Assess the governance structure (PMR Secretariat and Assembly) of the PMR and grant allocation mechanism, and suggest ways of enhancing PMR support to the PMR Implementing Country Participants.
Areas of First Independent Evaluation (TOR)

1. Progress achieved since establishment of the PMR in relation to its stated objectives. Inventory of outputs and outcomes in relation to original objectives & unintended effects

2. Roles and responsibilities. Roles and functions of the PMR Secretariat, PA, Technical Partners, observers and working group(s)

3. Resources used to achieve outputs and outcomes. Overview of PMR financial and human resources

4. Impact on “readiness” building and preparatory work for Implementing Country Participants to design/use carbon pricing instruments and other cost effective mechanisms to implement domestic mitigation actions
A Logical Framework will be developed in consultation with PMR management and Evaluation Working Group to understand PRM modalities and identify strategic elements (inputs, outputs, outcomes, impacts) and their causal relationships, indicators, and the assumptions or risks that may influence success and failure.

<table>
<thead>
<tr>
<th>Component</th>
<th>Performance Indicator</th>
<th>Verification</th>
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<td>Impacts</td>
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Evaluation Approach

Refining the Evaluation Approach and Questions

1. Relevance of the PMR (TOR)
2. Effectiveness of the PMR (TOR)
3. Performance of the PMR (TOR)

The Consultant will develop a matrix of Evaluative Questions, Sub-questions and methods to obtain information for each question. Some tentative questions under Relevance are shown below:

<table>
<thead>
<tr>
<th>Key Evaluative Question</th>
<th>Evaluative sub-question</th>
<th>Data Collection Method</th>
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<tr>
<td>1. What is the relevance of the PMR in light of its experience and within the context of carbon market and broader climate change policy developments at the global and national levels since the PMR’s inception?</td>
<td>1.1 Was there an international consensus for PMR to provide services that could not have been provided at the country level?</td>
<td>Documentation Review, Interviews/PMR management, Interviews/Stakeholders</td>
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<td>1.2 What has been the PMR value added compared with other programs dealing with development of Market Readiness?</td>
<td>Documentation Review, Interviews/PMR management, Country Participants, Stakeholders, Focus Group discussions, Questionnaire Survey</td>
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Evaluation Approach

Evaluation Challenges

- The Participating Countries are on different levels in their institutional, regulatory and technical capacity to develop market readiness components and MRP objectives vary because of national priorities.

- PMR is a programmatic partnership with multiple donors, partners, and other stakeholders, whose interests do not always coincide.

- The future of the international carbon market remains unclear and the demand for carbon assets has significantly decreased.

- The Consultant will evaluate the PMR in its role as a catalyst for innovation and developer to introduce market based systems in varying institutional, governance and market contexts.

- As a formative evaluation, this assignment is intended to improve performance during the early implementation phase of MPR programs.
Evaluation Methodology and Work Plan

1. In-depth documentation review

2. Refining of the Evaluation Approach and Evaluative Questions
   - “Learning Week” discussions with Key Informants: PMR Secretariat, PMR Experts, Evaluation Working Group (EWG), other evaluation bodies (IEG), and WBG Delivery Partners
   - Development of Evaluative Questions based on country consultations

3. Inception Report as agreed with EWG (and PA?) will finalize the Evaluation Approach, Evaluative Questions, data collection methods and identify countries for site visits based on MRP readiness and profile, location and importance (tentatively China, Mexico and Turkey)

4. Online Survey in addition to consultations, with a structure derived from the Evaluative Questions to analyze experiences from Implementing and Participating Country stakeholders based on country suggestions, PMR management, and other relevant organizations
Evaluation Methodology and Work Plan (cont.)

5. Consultations with countries
   - Field visits to a sample of implementing countries (tentatively suggest China, Mexico and Turkey)
   - All countries will have an opportunity to provide more specific inputs if they wish to, through phone calls and/or potential ad-hoc visits
   - Analysis of the strengths and weaknesses of the PMR program and possible ways for improvement
   - Assessing countries views regarding the role, usefulness, and effectiveness of the program: PA meetings, technical and knowledge sharing and support provided by the PMR Secretariat and by the World Bank as the "delivery vehicle"
   - Expectations for the Evaluation Framework

6. Synthesizing the evaluation results and presenting the interim findings to PMR Secretariat and the EWG


Evaluation Methodology and Work Plan (cont.)


10. **Inclusion of feedback** from PA and relevant stakeholders

11. **Preparation of Final Evaluation Report and Evaluation Framework** and submission to PMR Secretariat for circulation in December 2014

# Work Schedule

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<th>Step</th>
<th>May</th>
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<td>1. Start Work (May 5)</td>
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<td>3. Refining of Evaluation Approach</td>
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<td>4. PA 9 Presentation (May 25-27)</td>
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<td>5. Issue Draft Inception Report (July 19)</td>
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<td>6. Comments on Draft Inception Report</td>
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<td>7. Online survey</td>
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<td>8. Field visits and country case studies</td>
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<td>9. Synthesizing the evaluation results</td>
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<td>10. Presenting Interim Findings (September 18)</td>
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<td>13. Presentation of the Draft Evaluation Report and Draft Evaluation Framework at PA10 (October 2-23)</td>
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<td>15. Inclusion of feedback from PA and relevant stakeholders after PA10</td>
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<td>16. Presentation of Revised Final Documents at PA11 (TBD)</td>
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<td>17. Submission of the Final Evaluation Report and the Final Evaluation Framework to the PMR Secretariat (February 14)</td>
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Thank you very much on your attention

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