

Second Independent Evaluation of the PMR

Emerging Findings



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Re-cap of evaluation approach

Gathered views from:

- Contributing Participants
- Implementing Country Participants
- Technical partners
- World Bank teams
- Other national & international stakeholders

100 stakeholders surveyed online

24 in-depth interviews

3 in-country missions

Reviews with M&E Working Group

Plus secondary evidence from:

- Internal document review e.g. MRPs, ISRs
- External literature review e.g. policy docs & other initiatives

Overview of emerging findings

Key topics covered in consultations:

- Added value of PMR
- Key mechanisms supporting PMR progress
- Early signs of PMR impact
- Effectiveness of partnership model
- Risks and challenges
- Considerations for design of future phase

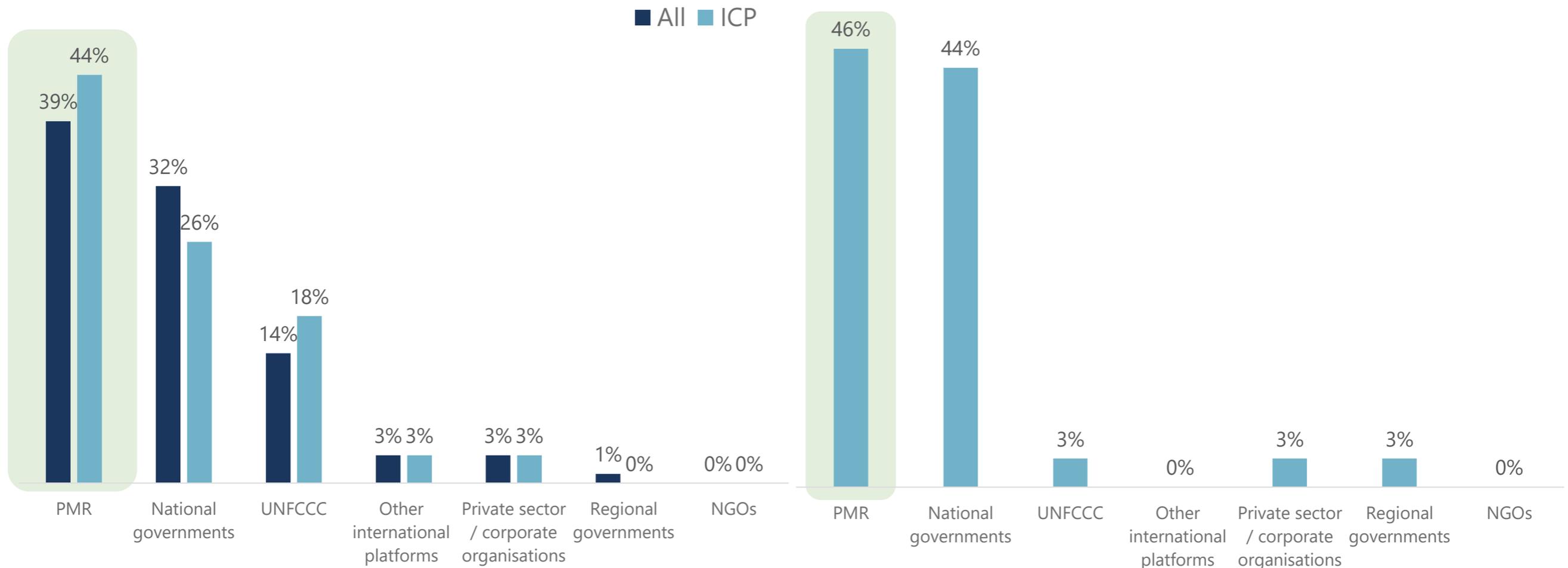
Draft Final Evaluation Report
to be circulated in June



PMR identified as key entity supporting market readiness

Most important entity in terms of contribution to supporting market readiness: **internationally**

Most important entity in terms of contribution to supporting market readiness: **in your country**



Package of flexible support makes PMR stand out

Diversity, participation & knowledge sharing

- Number and diversity of countries participating.
- Networking and learning from others' experiences.

“ Constructive **dialogues**, **partnership** spirit and **learning** from each other on important aspects of climate change mitigation policy.
Contributing participant

The right combination of support

- Open to a range of mechanisms.
- Providing practical and technical assistance, lots of in-country support but also analysis of policy options.

“ It serves a role that is very **different from purely technical/academic fora**; and other initiatives that take a more political emphasis.
Implementing country participant

Stimulating engagement and ownership

- Stimulates in-country engagement and discussion on carbon pricing, increasing prominence on agendas and helping to create and sustain policy dialogue.

Knowledge exchange & technical assistance add value

94%

Agree the PMR offers added value

Main value added by the PMR:



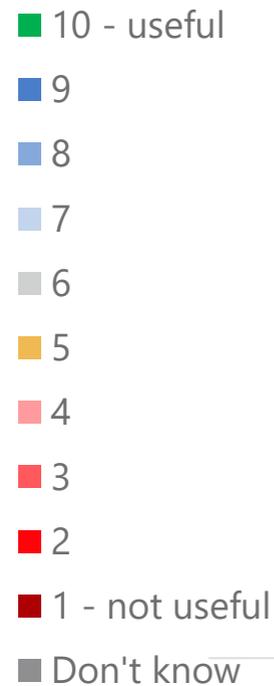
“ One among very few initiatives **solely devoted to support countries** in their carbon pricing work. The Partnership also provides **access to experts and financial resources**, and **allows for partners to interact ... integrating a global community of practitioners and experts** who are helping establish carbon pricing around the world.
Implementing country participant

“ Provides **resources and support** for countries to develop market readiness plans **suited to their own circumstances**, and provides **opportunities to share experience**.
Contributing participant

Technical workshops well received by ICPs

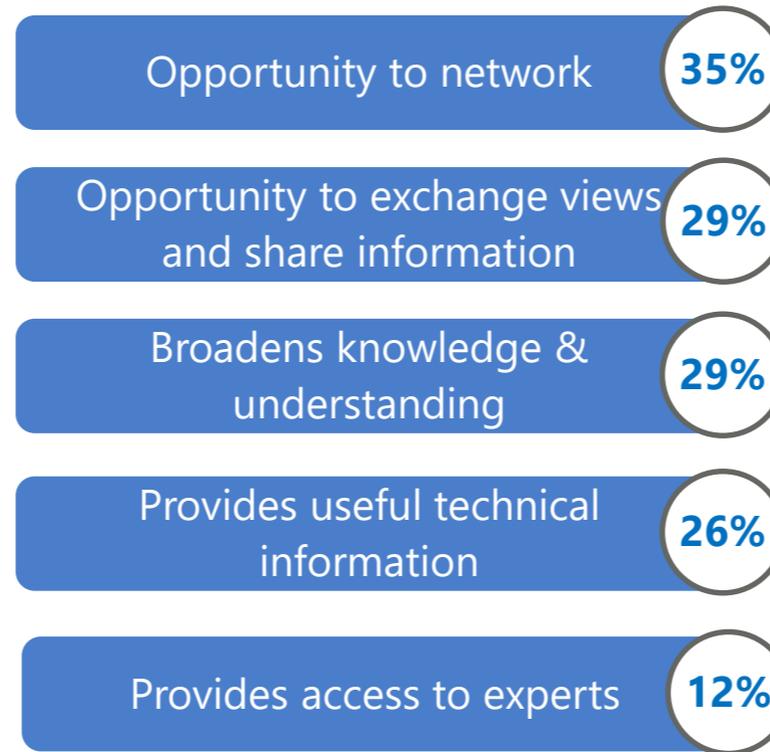
Usefulness of PMR workshops to role

Net 8-10 'useful' 80%



ICP

Reasons for finding workshops useful (unprompted):



The minority who did not find the workshops useful found them not to be detailed enough, rushed or too generic (all 6%)

“ It’s important to **keep in touch with other people** that are engaged with carbon taxes ... the technical workshop is very useful to understand **what other countries are doing** and the **techniques that can be applied**. *Implementing country participant* ”

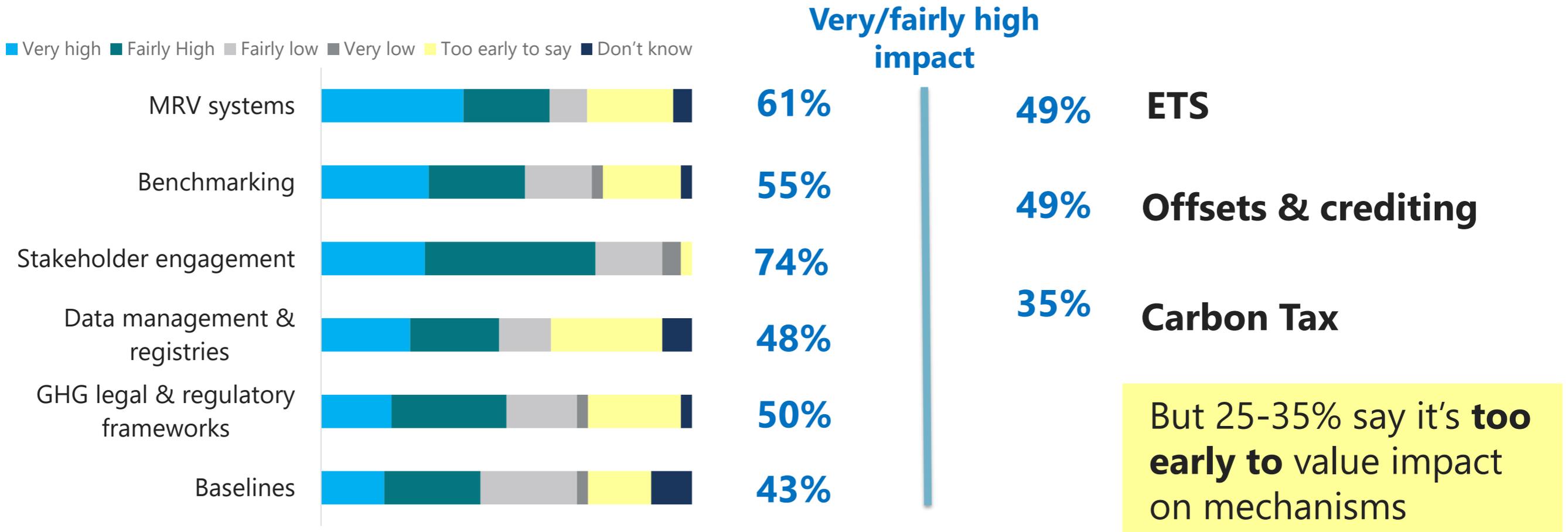
“ The workshops **gather representatives from different organizations** ... which helps to build the capacity on all levels. Many of the workshops are very **technical and practical**, information provided there can be easily used by countries. The workshops have also shown to be a good **platform for very frank discussions**, which helps reaching better understanding. *Implementing country participant* ”

PMR is impacting readiness, although it's early for some

Impact on market readiness infrastructure

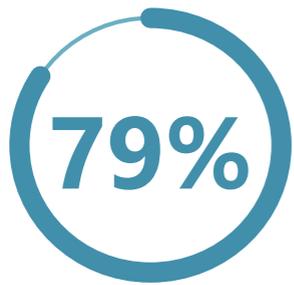
Views of ICPs on impact of PMR in own country

Impact on carbon pricing mechanisms

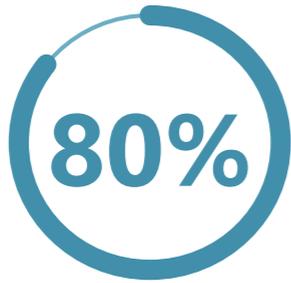


PMR also seen to impact beyond its own participants

Agree PMR has had high level of impact on...



**own
country
(ICPs)**



**across its
participants
(All)**



**at an
international
level (All)**

Examples of PMR broader influence:

- References in negotiations
- References in other technical outputs
- Role in stimulating regional collaboration

“ Internationally PMR is a **key and well-known platform** for knowledge sharing and capacity building in carbon pricing. Even though there are other similar initiatives PMR is recognized for its strengths to **generate knowledge** on this topic and **collaborate** in the implementation of this kind of policy instruments in different countries.

Implementing country participant

Principle of partnership model is at core of PMR

Approach is highly valued but some challenges for efficiency and inclusion

- Valuable to hear the voices of ICPs – for other ICPs but also for CPs.
- Also builds country ownership and commitment.

But **challenges are recognised** in the current governance and decision-making approach

Not all voices are heard

- Levels of participation not always sufficient
- Some ICPs lack confidence airing views

Information overload and efficiency challenges

- Documentation not able to be reviewed in depth prior to PA
- Most important issues/questions sometimes lost in volume of info

Co-ordination of voices & decision-making roles

- Some seek co-ordination of CP/ICP views formalised in governance process
- Some questions around ICP & TP selection process



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Internal factors slowing down PMR progress

Preparation

- **MRP feedback process is long**; yet does not necessarily lead to meaningful changes to MRP
- MRP reviews: **difficult questions are not always asked**
- **Limited feedback** can lead to ICPs having suboptimal MRP foundation for work

Grant agreement

- **Slowness of finalising grant agreements**

Implementation

- **Turnover** among WB staff, donors and ICP focal points



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Key risks and challenges for PMR

Staying relevant and effective

- **ICPs at very different stages:** more implementing than before, but still new entrants with short time windows for MRP implementation
- Increasing **expectation of CPs for results**
- **Uncertainty of long-term commitment** of ICP governments
- **Achieving right levels of participation** and being proportionate in time commitment asked of participants

Areas of focus to enhance support to ICPs:

- Improving MRP review process
- If/how to address political engagement
- Finding ways to share lessons learned at ICP level and between ICPs/TPs

Issues of importance to donors:

- Being reassured that any overlaps, or useful connections, between initiatives are being effectively managed
- Having clear sense of World Bank view on unique value offered by PMR

Considerations for design of a future phase

Lots of support for future phase, but common questions being considered

Top of mind issues

- Clarity on **membership** & strategy for any enlargement
- Whether support will be given to **new entrants** at start of readiness journey, or those still progressing readiness elements of MRPs, or whether focus on **more advanced steps** towards implementation
- Maintaining flexibility of support, but benefit from in-depth exchange of **countries at common stage**
- Approach to **decision-making** & maximising **participation**

Range of views put forward so far...

Some suggest eligibility criteria to increase focus on 'results', based on:

- demonstration of progress against current MRPs
- demonstration of ongoing political commitment

Tweaks in Partnership model desirable in order to address:

- levels of participation
- speed of decision-making processes
- role of donor voice in decision-making

Next steps and timeline

**Tonight,
5:00pm**

Optional further discussion: Supporting PMR in **considering implications of findings** for remainder of Phase 1 & Future Phase

May 2018

Final evaluation report reviewed by M&E Working Group

June 2018

Final evaluation report reviewed by PMR Secretariat
Publication

Thank you.



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Annex: Further supporting evidence

*This annex presents further selected evidence from the stakeholder interviews and survey.
The full breadth of evidence gathered by this evaluation will be presented in the final report.*

Summary of stakeholder participation in evaluation

A diverse mix of stakeholder groups have fed into the evaluation

| Data collection | Number / type of respondents |
|--------------------------------|--|
| Online survey | 100 responses: <ul style="list-style-type: none">• 39 ICPs, 12 CPs, 8 TPs• 18 external observers, 18 members World Bank staff |
| Telephone interviews | 24 interviews: <ul style="list-style-type: none">• 7 ICPs, 7 donors, 3 TPs• 7 others (World Bank staff plus external stakeholders) |
| In-country case studies | 3 case studies: Ukraine, Costa Rica, Chile <ul style="list-style-type: none">• 15+ interviews were completed in each across range of contacts at: focal ministry, other ministries, industry, NGOs, consultants |

Key mechanisms supporting PMR progress & value

Package of PMR support important, rather than one particular activity

Country work

Flexibility provided by ICP-driven MRP process & additional funding requests
Value of expert reviewer role in MRPs
MRP **implementation support**, e.g. from WB staff, also consultants
Stakeholder engagement in-country

Technical work

Focus on **practical advice** and providing **technical** foundations
Breaking down ICP vision into component parts
Delivery of handbooks & guidance

PAWP

Tailor-made policy analysis supports **policy alignment**
Adds considerably to **understanding implications** of different policy choices

Governance

Participatory approach to deciding types of support to provide, grounded in country needs
WB **champions navigating** ICPs through complex WB processes

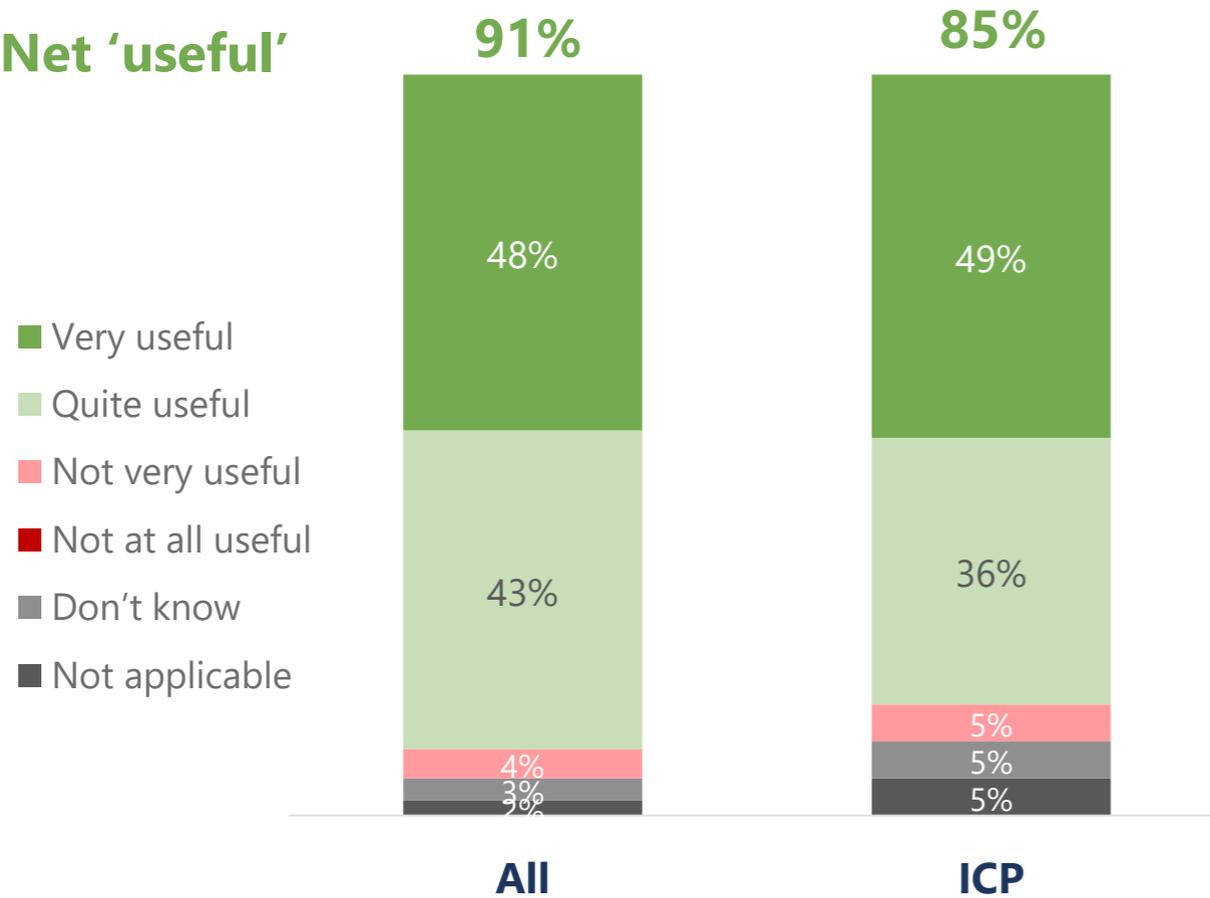


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Knowledge exchange provided by PMR found useful

Net 'useful'



A similar proportion of CPs and TPs found it 'very' useful for their role and all found it at least quite useful.*

“

It offers a **safe space** for the **frank exchange** of technical knowledge and experience.

External stakeholder

“

I think the added value of PRM relies on its vast experience on countries and the **interaction with different stakeholders**

Implementing country participant

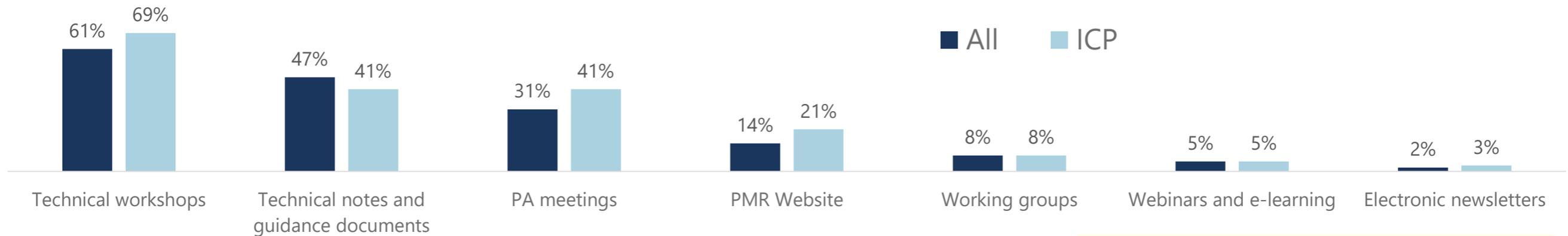
“

PMR has been a unique platform for sharing experience and frank discussions. With time the latter has **slightly changed**, the frank discussions have moved to coffee breaks and evenings, but not in the table setting. It is **important to bring the atmosphere back.**

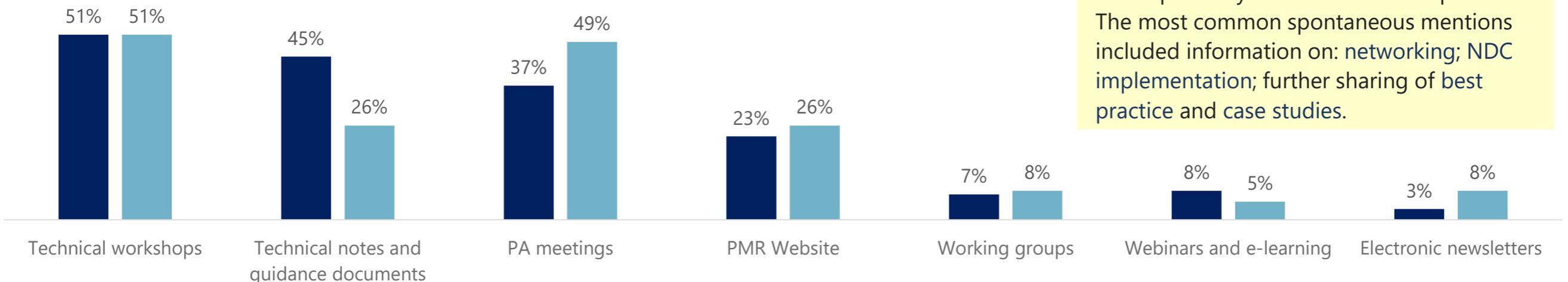
Implementing country participant

Technical work program key element of support

Support most useful in supporting market readiness in your country



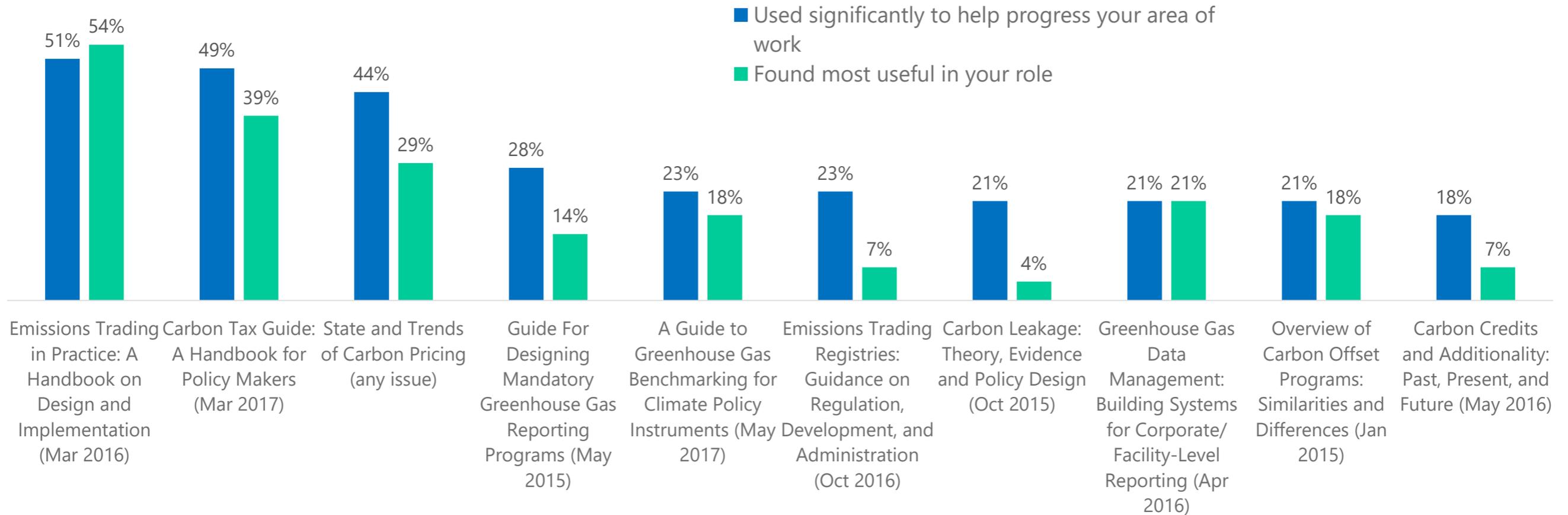
Support most useful for sharing knowledge about carbon pricing



Further support needs - Respondents were also asked what other types of resources and topics they would like PMR to provide. The most common spontaneous mentions included information on: networking; NDC implementation; further sharing of best practice and case studies.

ETS and Carbon Tax Handbooks most used & valued

Resources used & found useful (Top 10 used among ICPs)



External factors supporting PMR in achieving its goals

Interviews across the full range of PMR stakeholders identified the following key factors:

Within implementing country

- High country ownership, political will and resources committed
- Alignment to the broader policy context, e.g. NDC
- Synergistic local initiatives, e.g. air pollution, congestion
- Effective engagement of local stakeholders/industry
- Foundation built for MRV (through other mechanisms if not via MRP)

External to implementing country

- Political agreements, incl. Paris Art. 6
- Demonstration effect of other countries, e.g. China
- Regional collaborations, e.g. capacity building, MRV harmonisation
- Other initiatives providing related support, e.g. CPLC, MAPS, GIZ, FCPC, FIs at all levels

External limiting factors – mostly reverse of these. Additionally: identifying suitable grant recipient institutions; misleading guidance communicated by external sources e.g. from consultants on potential implications of policy choices

Case-study example: **Ukraine**

Three in-country case-studies were conducted – evidence from each (as well as across the wider ICP group) will be discussed in the final report

Key **achievements** to date against MRP:

- Draft National Legislative Package for MRV in place
- Installation-level emission monitoring & reporting pilots underway
- Industry engagement through training & pilot sites

Key ways in which **PMR has supported** progress:

- Supporting Ukraine to breakdown long-term vision for ETS into key readiness stages
- PMR technical outputs (particularly ETS Handbook)
- Expert consultants delivering MRP components
- Consultant team co-ordinating PMR project
- Knowledge sharing from other ICPs (e.g. Turkey)
- Collaboration with other programmes (e.g. ICAP training on ETS, GIZ project)

External factors supporting progress

- Clear alignment with wider agenda: Ukraine-EU Association Agreement
- Climate related policy alignment
- Experienced & engaged Ministry team

Risks facing PMR project and impacts:

- Other political priorities – engaging other Ministries & Parliament
- Institutional reform & capacity – identifying Competent Authority
- Economic structure - monopoly businesses in energy & industry sectors