



The Integration of Climate Change into Budgeting and Finance

23–24 February, 2021





Inclusive Budgeting and Financing for Climate Change in Africa (IBFCCA)



Welcome Address

Neil Cole, Executive Secretary,
CABRI



Overview

- Launch of the IBFCCA program
- Structure of virtual event – 2 days
- Key highlights from the keynote paper



IBFCCA Programme

- Partnership between CABRI, IIED, IBP, and UNDP.
- Inception year funded by SIDA
- Supports stronger links between climate change policy, gender and the budget process.
- Provides support for the mobilisation of the wider national and local budgetary process involving government, legislatures, development partners and civil society.
- Promote climate resilience in Africa and to support African governments to benefit from the opportunities of a just transition to a net zero carbon future.

IBFCCA, cont.

- Sequenced combinations of technical work, capacity building, political engagement, consensus building, engagement piloting and implementation of reforms.
- Three components,
 - ✓ **Component A:** CABRI, facilitates peer learning and exchange (policy dialogue approach) and KM
 - ✓ **Component B:** UNDP provides technical assistance to countries on climate change integration reforms.
 - Ghana, second CPEIR; Uganda, climate budget tagging
 - ✓ **Component C:** IBP and IIED strengthens oversight, transparency and accountability actors and practices. Accountability landscape assessments for Ghana and Uganda

Structure of the virtual event

- Two days, 3 hours each day
- Ministries of finance, budget, planning and environment, will share experience and future plans on integrating climate change into budgeting and finance
- Presentations and facilitated discussions
- Knowledge products:
 - ✓ Keynote paper: The Integration of Climate Change into Budgeting and Finance
 - ✓ Covid-19 paper: The potential implications of COVID-19 for climate-change expenditure
- All knowledge products will be available on the website

www.cabri-sbo.org

Highlights from the Keynote Paper

- Climate change is impacting on growth and public finances of economies in Africa
 - CC projected to cause an **average annual lose of 3.2% of GDP** for the continent between now and 2050.ⁱ
- Addressing CC through the budget requires **mainstreaming tools and approaches**.
 - Need to look beyond explicit CC programmes / the environment sector, as nearly all public spending potentially contributes to GHGs or is vulnerable to CC impacts.
- But, the budget processes may **not always prioritise CC**
 - Reasons include lack of fiscal space, definitional ambiguity, uncertainty in country-level projections, etc.

Despite this, MoFs have come up with innovative approaches to integrating CC into budget cycles

Entry points for integrating CC in the budget cycle

- Reviewing CC policies and strategies
- CPEIRs
- PEFA-climate



Strategic Planning

- Costed CC plans
- Mainstreaming CC plans

Policy review

Budget formulation and approval

- Climate-informed forecasting
- Management of climate-related fiscal risks
- Aligning budgets with CC strategies
- Budget circulars and hearings
- Engaging parliamentary committees

- Engagement of CSOs working on CC
- Legislative scrutiny of budgets and expenditure
- Green audits

Audit and evaluation

Budget Execution

- Climate-informed performance management and PBB
- Tracking climate expenditures

Accounting and monitoring

- Climate-responsive procurement
- Addressing implementation challenges

Snapshot of progress across Africa

CC planning is by far the most widely pursued entry point:

- 40 African governments have produced a **national CC strategy or plan**, while another 5 have them in development plans.
- 53 have submitted **NDCs/ INDCs** to the UNFCCC.

A. Climate change plans, policies or strategies



Source: Climate Change Laws of the World database, Grantham Research Institute on Climate Change and the Environment and Sabin Center for Climate Change Law. Also Africa Adaptation Initiative. N.B. NAPs are included, whereas NAPAs are not.

Snapshot of progress across Africa

- Routinised **climate budget tagging** systems in place in 4 countries.
- A further two are currently under design.
- The design of these systems varies by country.
- Sometimes preceded by a Climate Policy and Expenditure Institutional Review (CPEIR).

E. Climate budget tagging



Source: World Bank, 2020. *Climate Change Expenditure Tagging: An Overview of Current Practices, and Country Case Studies*

Snapshot of progress across Africa

Less progress to date on the **revenue** side:

- South Africa is the only country with a **carbon tax** currently under implementation, although both Côte d'Ivoire and Senegal are considering carbon taxes as part of their NDCs.
- Nigeria and Seychelles, have issued **green/blue bonds**, while preparatory measures have also been made in Morocco and Kenya



Source: World Bank Carbon Pricing Dashboard, and Climate Bonds Initiative, 2017. Green Bond Policy Database

Concluding remarks

- Integration of CC into budgets and finance should be approached in an **iterative and gradual** manner
- Which reforms a Government pursues will depend on:
 - the country's specific **climate vulnerabilities** – *Mitigation? Adaptation? Both?*
 - the **objectives** of the government – *Awareness raising? Improving effectiveness? Attracting external financing?*
 - levels of **capacity** and the **pre-existing PFM systems** – aiming to build on what is already in place.
- By bringing finance ministries together on this topic, the intention is not to promote uniformity between countries but rather to **consolidate and share knowledge** that could be useful to finance ministries wishing to take forward this agenda.

Thank you



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MINISTRE DE L'ECONOMIE
ET DES FINANCES
REPUBLICQUE DU BENIN

Cotonou, 15 February 2021

THEME:

**Integrating climate change into budget
preparation and approval**

Presented by

CONTENT

- 1 INTRODUCTION**
- 2 CLIMATE CHANGE REFERENCE FRAMEWORK IN THE BUDGET PROCESS**
- 3 SRATEGIC FOCUS OF THE NATIONAL CLIMATE CHANGE MANAGEMENT POLICY**
- 4 CLIMATE INTEGRATION APPROACH IN THE BUDGET PROCESS**
- 5 CONCLUSION**

INTRODUCTION

- The need to finance government climate change policies;
- Reviewing the budget process and introducing tools, in order to take into account the climate-related issues
- Establishing several bodies including the National Committee on Climate Change (NCCC) and the Commission for the Economic Modelling of Climate Impacts in the General State Budget (*Commission de modélisation économique des impacts et de l'intégration des Changements Climatiques dans le Budget general de l'État*, or CMEICB).

A PLANNING APPROACH TO ADDRESSING CLIMATE CHANGE ISSUES

The choice of a three-step planning approach:

- ❖ Forecasting;
- ❖ Strategic planning;
- ❖ Establishing multiyear investment plans.

CLIMATE CHANGE REFERENCE FRAMEWORK IN THE BUDGET PROCESS

➤ **International Commitments**

- ❖ United Nations Framework Convention on Climate Change
- ❖ Paris Agreement
- ❖ Sustainable Development Goals

➤ **National Instruments**

- ❖ Law no. 2018-18 of 6 August 2018 regulating climate change in Benin
- ❖ National Communications
- ❖ Nationally Determined Contributions (NDCs)
- ❖ National Development Plan (NDP) 2018-2025
- ❖ Programme for Growth and Sustainable Development (PC2D)
- ❖ National Action Plan (NAP) 2016-2021
- ❖ Sectoral Strategic Frameworks integrating the climate dimension

STRATEGIC FOCUS OF THE NATIONAL CLIMATE CHANGE MANAGEMENT POLICY

Specific Objective 1: Building institutional, individual and material capacity to respond effectively to climate change.

- **Strategic Focus 1:** Integrating climate change into planning.
- **Strategic Focus 2:** Strengthening capacity and boosting climate governance.

Specific Objective 2: Ensuring low-carbon, climate-resilient development in all sectors of the economy.

- **Strategic Focus 3:** Mitigating climate change.
- **Strategic axis 4:** Adapting to climate change.

5

Specific Objective 3: Developing research, technological innovation and climate information systems.

- **Strategic Focus 5:** Research and development and technology transfer.
- **Strategic Focus 6:** Formal, non-formal and informal education to raise awareness of climate change and promoting eco-citizen behaviour.

Specific Objective 4: Mobilizing resources and strategic partnerships to manage climate change.

- **Strategic Focus 7:** Increasing national financial resources.
- **Strategic Focus 8:** Optimizing access to international climate-related financial resources through cooperation.

CLIMATE INTEGRATION APPROACH IN THE BUDGET PROCESS

Fiscal translation of climate policy strands aligned with the main budget cycle stages

➤ **Formulation:** (i) Macroeconomic Framework; (ii) Developing the Multiyear Economic and Budget Planning Document (DPBEP) which tracks fiscal guidelines and changes in spending and revenue forecasts; (iii) Updating strategies and the sector expenditure review *(The cross-cutting nature of climate change is addressed and taken into account in financial strategies and projections, the environmental impact assessment as a criterion for the eligibility of investment activities, etc).*

➤ **Programming/Planning:** (i) Implementing the trend MTEF on the basis of the benchmarks identified in the formulation stage; (ii) Developing the multiyear planning document for expenditure (DPPD) in connection with the DPBEP; (iii) Reviewing performance frameworks for budget programmes recorded in DPPDs, whilst examining the climate dimension.

CLIMATE INTEGRATION APPROACH IN THE BUDGET PROCESS

Budgeting:

(i) Breaking down the programme framework into sub-programmes and tasks contributing to climate objectives; (ii) Setting up a sector matrix for climate change actions with the advisory support from the Directorate General of Budget (DGB); (iii) Organizing trade-off sessions for the allocation of resources to budget sub-programmes, specifically for climate change responsive sub-programmes; (iv) Providing climate incentives (tax exemptions on new trucks and buses, polluter pays principle, etc.).

CONCLUSION

- **Opportunity:** Accelerating the mainstreaming of climate change into the budget, through the implementation of the SDGs.
- **Challenges:** Developing a practical guide on integrating climate change into the budget and strengthening the actors of the PPBES (planning-programming-budgeting-execution system) chain.



MINISTRE DE L'ECONOMIE
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Thank you





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Integration of climate
change into planning and budgeting

Financing for climate change: Mozambican experience
and key challenges
CRISTINA MATUSSE

Virtual learning and Exchange event

23 - 24 February 2021

Content

- I. Background
- II. Experiences with policy and strategy design, and legal framework
- III. Preparing for climate finance
- IV. Current key projects
- V. Next steps

Background

- Mozambique is the 8th most vulnerable country to climate change, with 3 main types of disasters: floods, droughts and cyclones
- The frequency and magnitude have increased significantly in recent years , making the country even more vulnerable;
- Studies show that, by 2040, the country will lose some 1-2% of coastal land;
- Studies by the Government in 2015 showed that, on average, the country loses about USD 400 million to post-disaster reconstruction;
- It is in this context that the country has been implementing several initiatives at the legal, policy, strategy and institutional levels, including:
 - Integration of climate change issues into national planning systems;
 - Establishment of bodies and institutions to address global climate agendas and to access adaptation funding mechanisms.
 - Introduction of legal instruments dealing specifically with environmental and climate change issues

Experiences with the design of policies and strategies

- The Government of Mozambique has prioritised climate resilience and adaptability, including risk reduction for people, ecosystems and the built environment, as well as the development of low carbon emissions, to deal with the effects of climate change
- The main instrument guiding planning in Mozambique is the Government's Five-Year Programme (PQG), which is operationalised annually by the Economic and Social Plan.
- Each priority and pillar of the PQG contains climate change actions and indicators;
- Coordination for climate change is cross-cutting;

Experiences with policy and strategy design, and legal framework

Key lessons for policy management and development of planning tools:

- **Greater involvement of community leaders in the national planning process** - establishment of Local Councils, Community-Based Natural Resource Management Organizations, Community-Based Disaster Risk Management Committees
- **Improved revenue-sharing mechanisms for communities** - 20% for forestry and 2.75% for Minerals, Oil and Gas

Preparing for climate finance

- Several ways through which external funding can be channelled in Mozambique:
 - National Budget through the MoF;
 - Through “intermediary” institutions such as the UNDP or the World Bank;
 - Direct funding to the implementing agency (Ministries or NGOs)
- Entities that receive and administer external funds are scattered, with negative implications for their relationships:
 - Decree No. 26/2011 of 15 June, through the National Climate Change Adaptation and Mitigation Strategy (ENAMMC), appointed the National Environmental Fund (FUNAB) as its national entity for mobilising and coordinating climate finance.
 - to oversee the financing of environmental activities, the National Sustainable Development Fund (FNDS - previously FUNAB) is in the process of being accredited to access global climate funds.

Current key projects

- PPCR (PERC) projects funded by WBG & AfDB (Concluded in 2019)
- SUNRED - UNDP funded
- GCF- Green Climate Fund
- Urban climate resilience
- Forest Development Program, WBG-funded, Sweden etc.)
- “SUSTENTA” project
- “Growing Blue” programme
- Among several others

Nest steps

- Implement reforms in the planning and budgeting process for a better approach to climate change and SDGs, with the SPO as the operationalisation instrument;
- The country is currently facing macroeconomic instability, and the partners supporting the National Budget have not submitted commitments for 2021;
- We are at an advanced stage of integrating climate change and SDG indicators.

Challenges

- Strengthen coordination structures:
 - Public finances review
 - Climate finance and public investment to ensure the sustainability and management of natural resources.
- Improve national statistics on the environment, climate change and natural resource management.
- Deepen synergies between partners and the Government to further the goals of national climate change response programmes.
- Introduce environmental, climate change and climate risk management markers in the budget and fiscal system, for allocation of resources from the national budget.

OBRIGADO
THANK YOU
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GCF and Budgeting in The Gambia

Abdou Salam Jatta

Directorate of Budget
The Gambia

23/02/2021



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PEFA

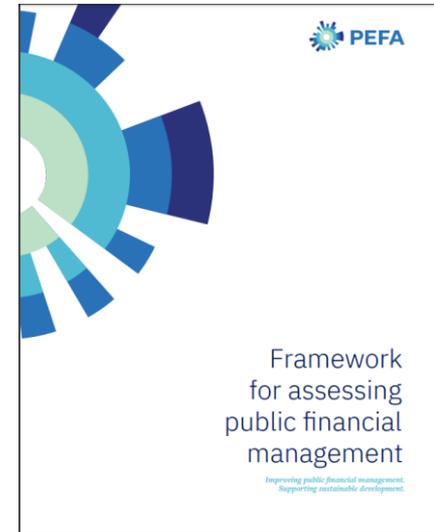
Introduction to PEFA Climate

February 2021

PEFA Secretariat

www.pefa.org
#PEFA

1 | WHAT IS PEFA?



The PEFA program

- PEFA: **P**ublic **E**xpenditure and **F**inancial **A**ccountability
- Partnership program
 - Since 2001
 - Nine partners
- Provides a standard methodology or framework for assessing PFM



The PEFA Framework



EVIDENCE

Provides a thorough, consistent and evidence-based analysis of PFM performance at a specific point in time

IMPACT

Assesses how PFM impacts on key budget outcomes: fiscal discipline, strategic resource allocation, efficient service delivery

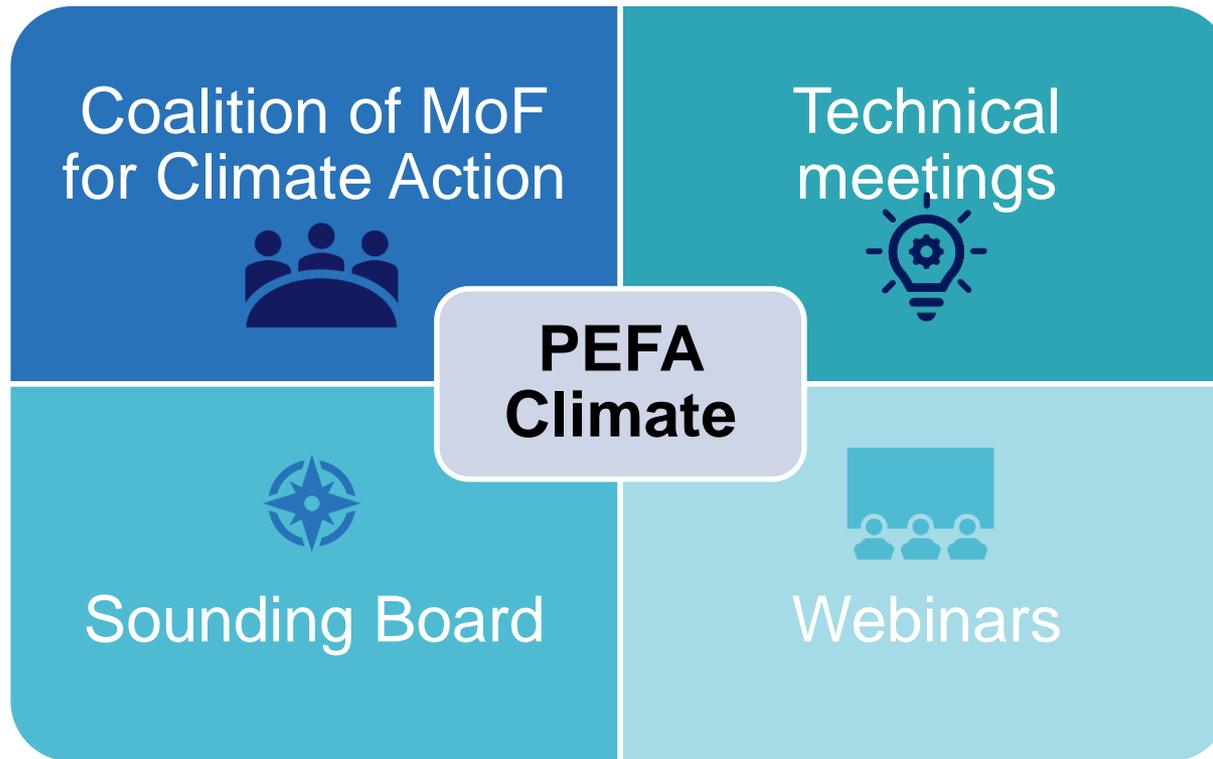
PFM REFORM

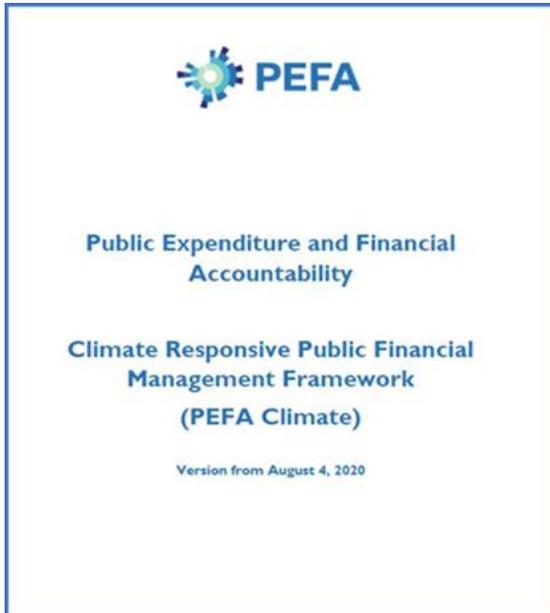
Establishes the foundation for analyzing and improving PFM

PEFA does not assess government policies.

2 | WHAT IS PEFA CLIMATE?

PEFA Climate: A public international good federating many stakeholders





- **PEFA Climate** provides a standard methodology for assessing how well PFM systems can support the implementation of government climate change policies
- The **assessment is** undertaken
 - At the request of a government
 - With a mix of PFM and Climate change expertise
- The assessment findings are summarized in a **PEFA Climate assessment report**

Key elements of the assessment



AN INCEPTION QUESTIONNAIRE

The inception questionnaire will enable to create country
“Climate change profile”

3 OUTCOMES, 7 PILLARS, 14 INDICATORS and 29 DIMENSIONS

Performance indicators cover the full budget cycle and are
further disaggregated into dimensions

EVIDENCE BASED

TOOLKIT

INDICATORS

CRPFM-1 Budget alignment with climate change strategies

CRPFM-2 Tracking climate related expenditure

CRPFM-3 Budget circular

CRPFM-4 Legislative scrutiny

CRPFM-5 Climate responsive public investment management

CRPFM-6 Climate responsive non-financial asset management

CRPFM-7 Climate related liabilities

CRPFM-8 Climate responsive procurement

CRPFM-9 Climate responsive revenue administration

CRPFM-10 Compliance of climate related expenditure

CRPFM-11 Climate responsive fiscal decentralization framework

CRPFM-12 Climate related performance information

CRPFM-13 Climate related evaluation

CRPFM-14 Expenditure outturn for climate activities

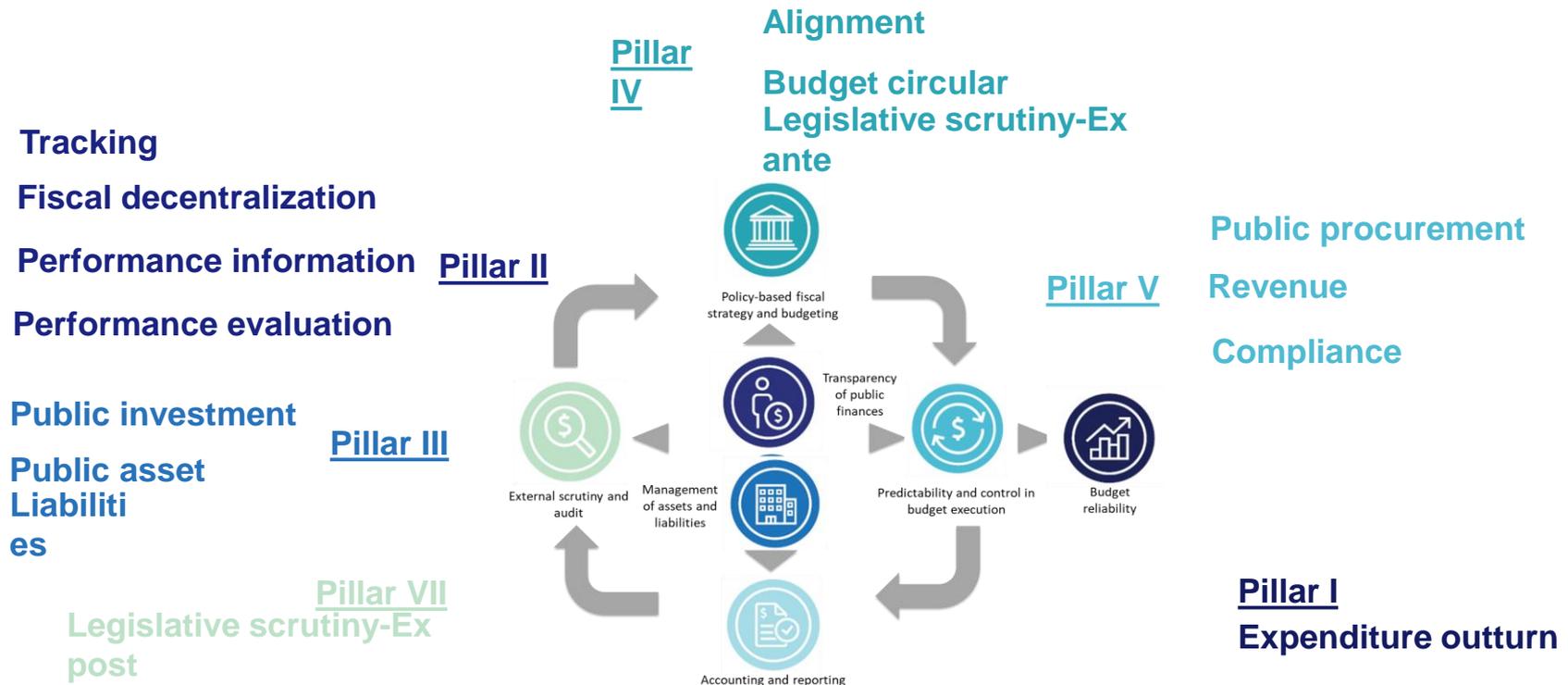
LEVEL OF CRPFM PRACTICE ON A FOUR-POINT ORDINAL SCALE

Score	Level of practice
A	Climate change issues and the policy response are mainstreamed in the relevant PFM institutions, processes, or systems
B	Climate change issues and the policy response are partially mainstreamed in the relevant PFM institutions, processes, or systems
C	Initial efforts have taken place to mainstream climate change issues and the policy response in the relevant PFM institutions, processes, or systems

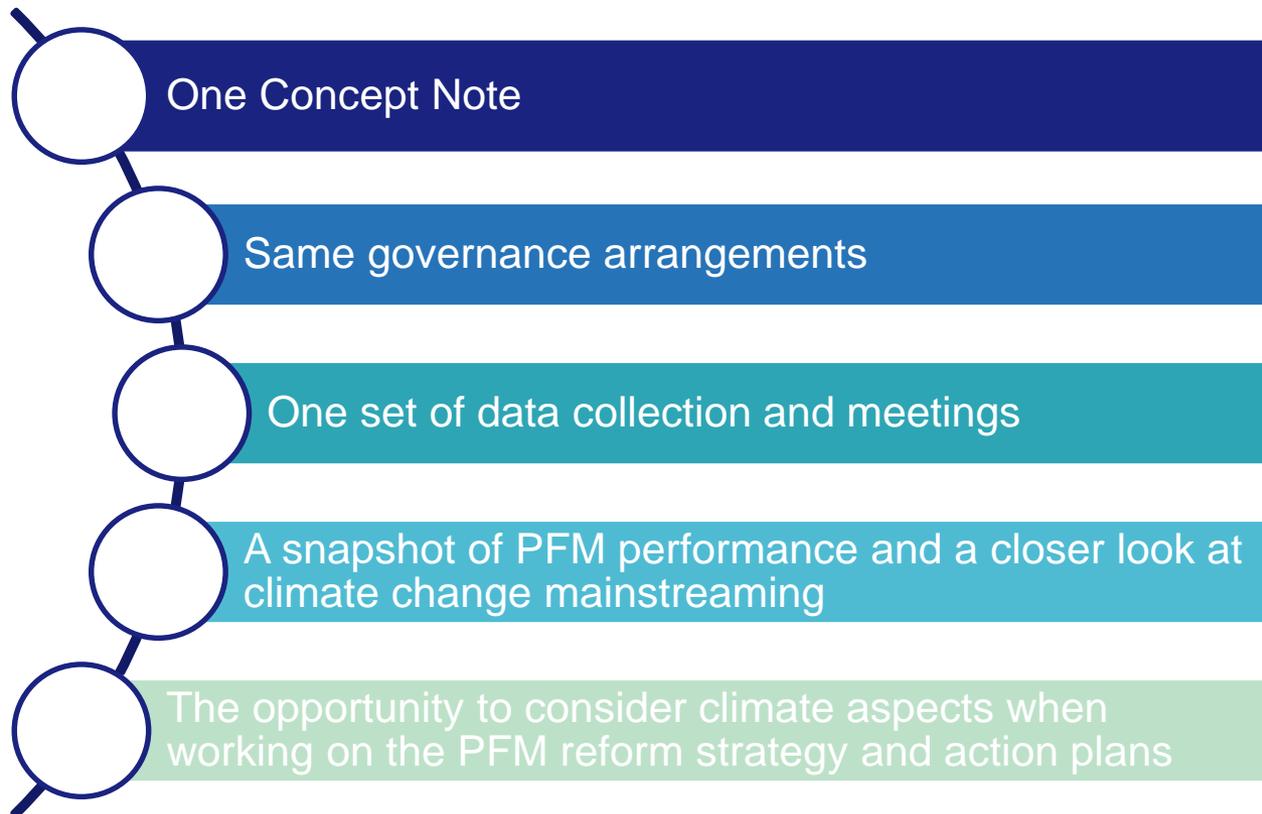
EXAMPLE OF INDICATOR CRPFM-11 BUDGET CIRCULAR

SCORE	MINIMUM REQUIREMENTS FOR SCORES
A	The budget circular provides a methodology to track climate change related expenditure, as well as expenditures that are counter to climate policy. It contains guidance on how to factor climate change mitigation and adaptation planned expenditure into budget proposals, and on how to limit expenditures that are counter to climate. It refers to the national climate change strategies.
B	The budget circular provides a methodology to track climate change related expenditure. It contains guidance on how to factor climate change mitigation and adaptation planned expenditure into budget proposals and refers to the national climate change strategies.
C	The budget circular contains guidance on how to factor climate change mitigation or adaptation planned expenditure into budget proposals.
D	Performance is less than required for a C score.

Linking PEFA Climate to the Budget Cycle



Undertaking PEFA and PEFA Climate concurrently



Happy to answer your questions.
Thank you!



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SAMOA PEFA CC ASSEMENT 2020

LESSONS LEARNT AND EXPERIENCE

CLIMATE CHANGE – A KEY DEVELOPMENT CHALLENGE

- Highlight Samoa's vulnerability to climate change;
- Cyclones impose significant costs both economic and social;
- E.g Cyclone Evans – cost equivalent to 30% of GDP
- Climate Change need to be central in Samoa's development Agenda

INSTITUTIONAL STRUCTURE

- Leading agencies – MoF, MNRE
- SOEs support in the implementation of CC initiatives/projects
- Recognition of Development Partners assistance
- Combined government efforts using sector wide approach to address CC impacts

CLIMATE CHANGE POLICIES

- Recently adopted Samoa Climate Change Policy 2020
- National Energy Sector Policy
- National Adaptation and Mitigation Action (NAMA) Plan
- National Building Code and Standards
- National Disaster Management Plan

CHALLENGES

- PEFA CC Samoa was a pilot being done virtually
- Coordinating and ensuring that records/evidence are available for the assessors to base their assessment on.

OPPORTUNITIES

- i. Contributes towards addressing Climate Change issues with views to mitigate adverse impact of climate change;
- ii. Provides opportunities for scaled-up resource allocation as well as designing appropriate policies to streamline tax measures in favour of climate change;
- iii. Provide a sound platform for improved policy coherence in the climate change space.
- iv. Facilitate Samoa efforts to directly access GCF funding and become a National Implementing Entity.
- v. Experiences from the PEFA CC Assessments helps us better complements Government efforts.

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Samoa PEFA Climate Change Presentation to CABRI Dialogue

FEBRUARY 23, 2021

Richard Neves
PFTAC



Phase V Donors: Australia, New Zealand, Canada,
European Union, Asian Development Bank, & Republic of Korea

Introduction

Structure of Presentation

Introduction to the Field Work and Peer Review Team

Understanding Samoan Climate Change Profile

What the PEFA Measures

Re-Calibrations

Preliminary Assessment

Overall Outcome and Next steps

A Diverse Team

Diverse Field Work Team

Richard Neves (Lead)	IMF-PFTAC
Iulai Lavea	IMF-PFTAC
David Kloeden	IMF-PFTAC
Guillaume Brule	PEFA Secretariat
Habiba Gitay	World Bank
Lorena Estigarribia	Pacific Regional Infrastructure Facility
Paula Uluinaceva	Pacific Island Forum Secretariat

Diverse Peer Reviewers

Government representative	Henry Ah Ching
PEFA Secretariat	Holy Tiana Rame (PEFA Secretariat)
Australia (DFAT)	Coordinated by Celeste Powell (Office of the Pacific)
New Zealand (MFAT)	Christine Van Hooft Senior Adviser (Governance and Economics Unit)
IMF	Coordinated by Majdeline El Rayess (Fiscal Affairs Division)
European Union	Marga Peeters
UNDP	Coordinated by Moortaza Jiwanji (Governance for Resilient Development in the Pacific)
ADB	Noelle O'Brien (Pacific Department)
JICA	Taichi Sakano

The Samoan CC Profile

Initial Questionnaire

Provided to the Government to complete, is broken up into three parts to establish Samoa's CC framework.



International Commitments

- Ratification of the UNFCCC and Paris Agreements?
- Submission of NDCs?
- Formulation and communication of a mid-century, long-term, low GHG emission development strategy?
 - What aspects of CC do mid-century strategies address?
 - What is the plan to meet GHG emission reduction targets as described in the mid-century strategies?
 - How will adaptation objectives as described in the mid-century strategy be addressed?

National Level Strategies

- Is climate change identified as a key issue in the national development plan or strategy for economic growth?
- What is the climate change national framework?
- What are the institutional arrangements for executing climate change related policies and actions?

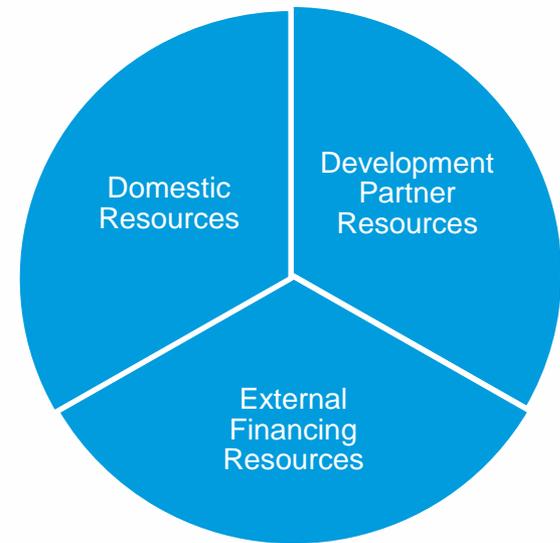
Implementation of CC policies

- Top five most important measures currently implemented to reduce GHG emissions?
- Top five most important measures currently implemented to adapt to CC impacts?
- Is there an operational monitoring and evaluation framework to track implementation of NDCs and climate actions?
- Independent assessment of achievements of CC objectives and targets in last 5 years?
- Conduct of an assessment of the macroeconomic impacts of climate change?

What does a PEFA Measure

PEFA Climate Methodology

- The primary purpose of the PEFA climate assessment is to examine to what extent Samoa's PFM systems are contributing towards the country achieving the objectives it has established in terms of reducing GHG emissions and increasing resiliency to Climate Change.
- It is not aimed at verifying the robustness of the PFM system for the use of development funds.



Budget Formulation

Applicable Dimensions

Budget alignment with climate change strategies

Tracking climate related expenditure

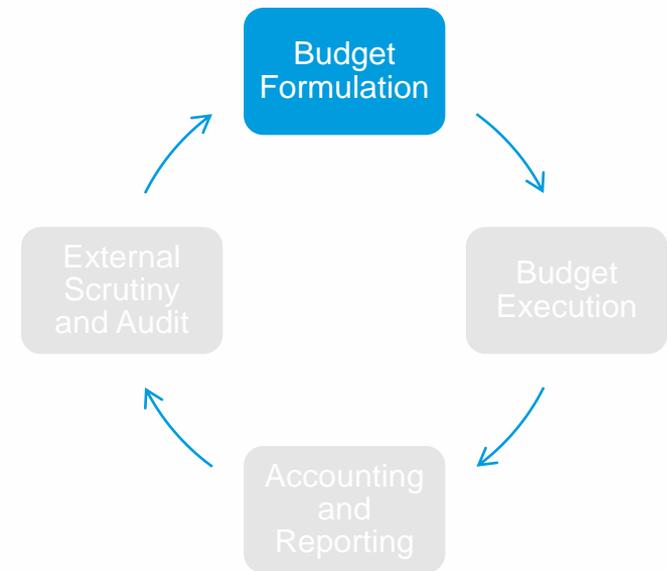
Budget circular

Legislative scrutiny of budget

Climate related provisions in regulatory framework for public investment management

Climate related project selection

Climate related provisions for project appraisal

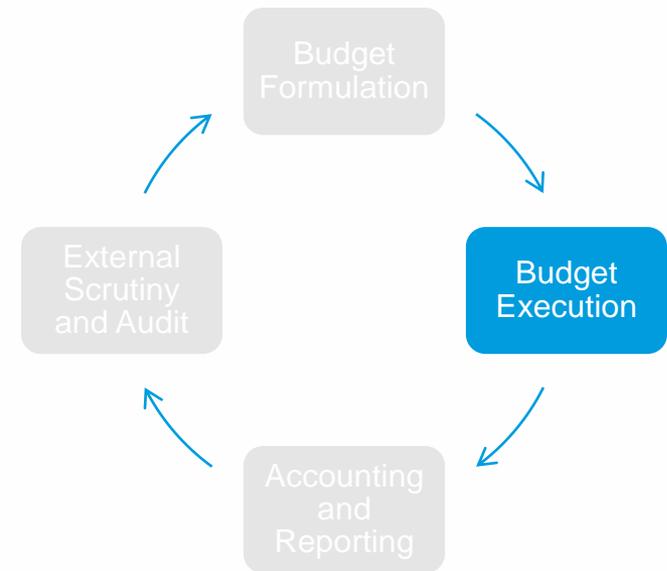


Budget prepared with due regard to government fiscal policies, strategic plans, and adequate macroeconomic and fiscal projections.

Budget Execution

Applicable Dimensions

Climate responsive procurement framework
Climate responsive public procurement operations
Climate responsive public procurement monitoring
Climate responsive public procurement reporting
Effectiveness of the systems of controls
Compliance of transactions



Budget is executed within a system of effective standards, processes, and internal controls, ensuring resources are obtained and used as intended.

Accounting and Reporting

Applicable Dimensions

Climate related information in performance plans

Climate related information in performance reports

Climate related evaluation of expenditure

Climate related evaluation of taxes

Aggregate climate related expenditure outturn

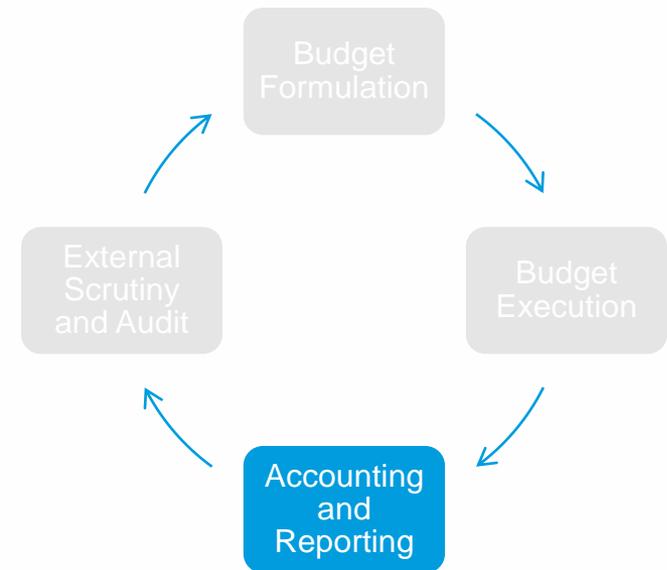
Climate related expenditure composition outturn

Reporting from entities in charge of implementation

Climate responsive non-financial asset management

Climate related fiscal risks

Climate related debt and guarantees

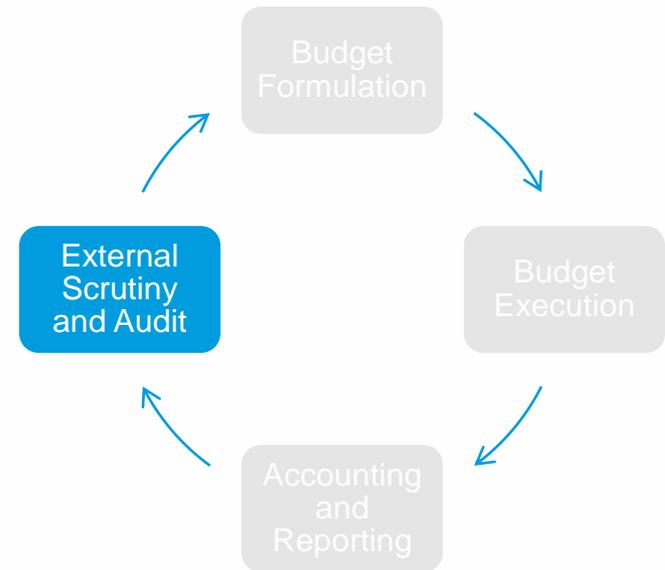


Accurate and reliable records are maintained, and information is produced and disseminated at appropriate times to meet decision-making, management, and reporting needs.

External Scrutiny and Audit

Applicable Dimensions

Legislative scrutiny of audit and evaluation reports



Public finances are independently reviewed, and there is external follow-up on whether the executive has implemented the recommendations for improvement.

Desirable Budget Outcomes

PFA measures how a country's PFM systems, processes, and institutions support the achievement of desirable budget outcomes:

Aggregate fiscal Discipline

- Effective control of the total budget and management of fiscal risks – leading to macro economic stability.

Strategic Resource Allocation

- Planning and execution of budget in line with government's priorities - should spur reallocation from lesser to higher priorities (allocative efficiency).

Efficient Service Delivery

- Are budgeted revenues used to achieve best levels of public services within available resources (operational efficiency).

Recallibrations

Actual Recalibrations

CRPFM 5.2

- Revised “climate assessment and prioritization criteria are used to select new investment projects” to “climate assessment criteria are used to prioritize new investment projects” across all scores.
- No change to score

CRPFM 5.3

- For a C score, the requirement that appraisal evaluation guidelines require recommendations on both: i) the climate change impacts of new investment projects; and ii) adaptation measures in the project design to address climate risks was revised to either i) or ii).
- Impact on score (from D to C)

CRPFM 7.2

- For a B score the requirement to produce in a timely manner was removed for producing mandatory climate related reporting. For a C score, reference to producing mandatory climate related reporting was removed. Additional requirement the purposes for which government can borrow in legal framework allows for coverage of climate related liabilities
- Impact on score (from D to C)

Actual Recalibrations

CRPFM 8.1

- For a C score requirement for framework to establish both: i) clear criteria to determine what products or services count as climate responsive; and ii) the scope of procurement operations subject to climate responsive procurement principles was revised to either i) or ii).
- Impact on score (from D to C)

CRPFM 8.2

- For a C score requirement that both: i) climate responsive standards are used to help determine tender requirements and specifications, or award criteria and ii) simplified procedures and templates expedite procurement for response to climate induced disasters, was revised to be either i) or ii)
- No Impact on score

CRPFM 8.4

- For a C score requirement for reporting on emergency procurement operations was revised so it referred to compliance with procedures and rules requiring emergency procurement operations are reported. Previously B score required publication of report, a B score now requires the framework established to get a C to require publication. An A score requires framework to require inclusion of the analysis on implementation of the emergency procurement operations, whereas prior it just referred to inclusion in the report.
- Impact on score (from D to C)

Actual Recalibrations

CRPFM 13.2

- For a B and a C score requirement evaluation of contribution of climate related taxes to climate change was revised to be a partial evaluation that included climate related tax or custom policies that are likely to undermine climate policy goals. For an A score, independent evaluation extended it to both tax and customs policy as opposed to just tax
- **No Impact on Score**

Outcome and Next Steps

Aggregate Fiscal Discipline

- 1 Budget alignment with climate change strategies
- 5 Climate responsive public investment management
- 6 Climate responsive non-financial asset management
- 7 Climate related liabilities
- 10 Compliance of climate related expenditure
- 14 Expenditure outturn for climate activities

Fiscal Risks

Non Financial Asset Management

Strategic Allocation of Resources

- 1 Budget alignment with climate change strategies
- 2 Tracking climate related expenditure
- 3 Budget circular
- 4 Legislative scrutiny
- 5 Climate responsive public investment management
- 9 Climate responsive revenue administration

Defining Climate Change Expenditure

Budget Circular

Project Selection

Efficient Service Delivery

- 1 Budget alignment with climate change strategies
- 4 Legislative scrutiny
- 8 Climate responsive procurement
- 9 Climate responsive revenue administration
- 10 Compliance of climate related expenditure
- 13 Climate related evaluation

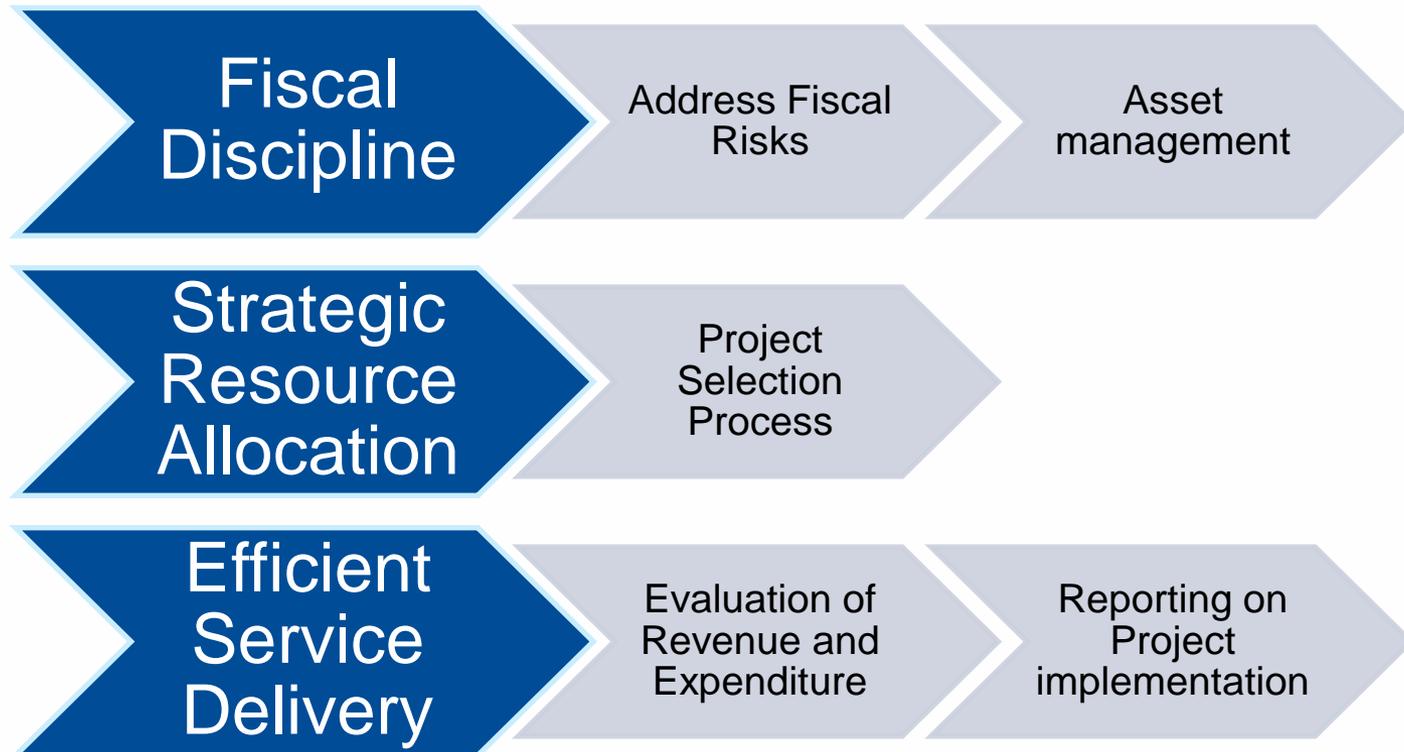
Procurement

Project

Evaluation of Revenue and Expenditure

Reporting on project implementation

Progressing Forward



Feedback and Questions



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23–24 February, 2021





Inclusive Budgeting and Financing for Climate Change in Africa (IBFCCA)

