



# CLIMATE POLICY IMPLEMENTATION CHECK

**METHODOLOGY**

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The content of this methodology complements the work of the Climate Transparency partnership. It does not reflect the views, policies or positions of the World Bank.

# EXECUTIVE SUMMARY

Immediate and deep emissions reductions across all sectors are needed to keep the goal of maintaining global temperature rise below 1.5°C within reach according to the IPCC sixth assessment report. Many countries have increased their ambition to reduce greenhouse gas emissions in their Nationally Determined Contributions (NDCs). Collectively the ambition is still not high enough to stay below 1.5°C.

Ambitious targets are not sufficient on their own — policies need to be implemented to meet those targets. In this paper, we set out a concise framework to check from an early stage whether policies are being implemented with a view towards achieving a country’s NDC. This early check is important as policy outcomes and impacts on greenhouse gas emissions are typically only measurable several years after implementation, leaving little time for course correction if implementation of the policy is weak.

This implementation check is an additional tool that enables stakeholders to evaluate the implementation status of policies and hold governments to account. Multiple tools and assessments already exist to evaluate ambition, but few assess implementation. These independent assessments are especially valuable in the run-up to the Global Stocktake, given that formal processes under the UNFCCC are not set up to fulfil this remit.

The framework can be used to check implementation of any policy. In this paper, we apply it to the sectoral policies used

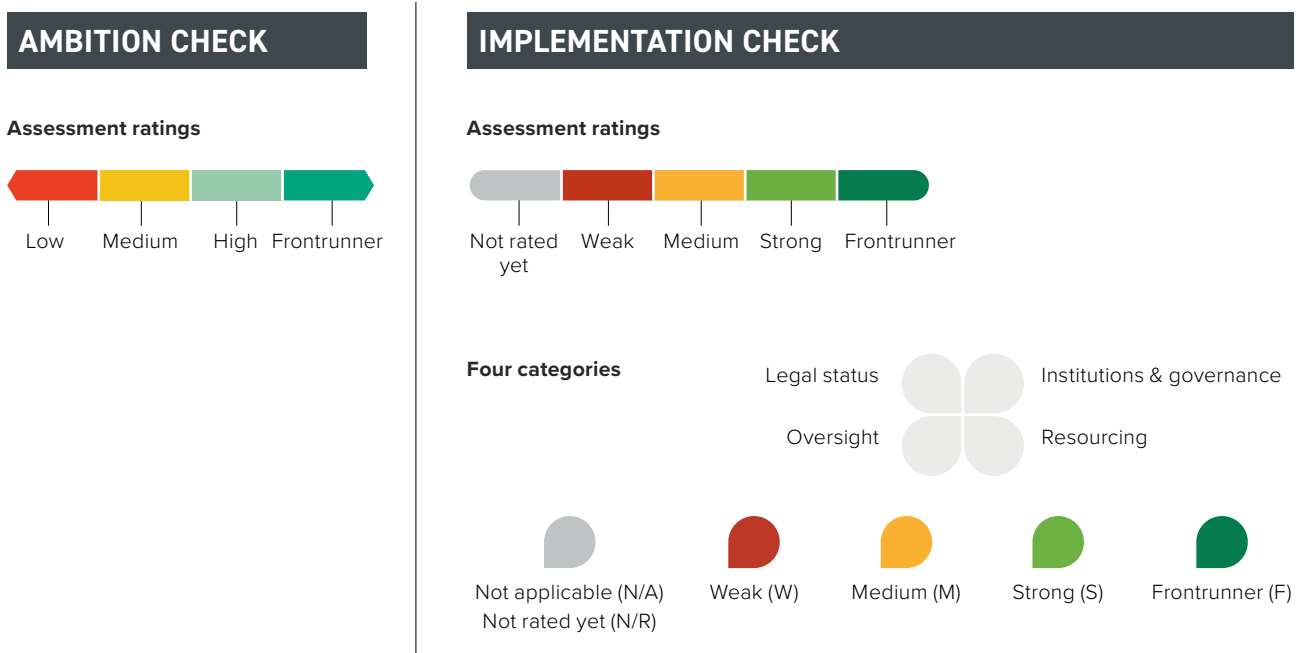
in the Climate Transparency Report (CTR)<sup>1</sup>. The policies to be assessed for implementation are informed by the current “Policy Assessment” contained in the CTR Country Profiles<sup>2</sup>. For operational reasons the methodology was only applied to policies that have achieved a high rating (“High” or “Fronrunner”).

The framework checks different characteristics of policy implementation which can be grouped into four categories: legal status, institutions and governance, resourcing and oversight. For each of these categories, the framework includes specific questions that are designed so that the results are comparable across different countries. Depending on answers to the specific questions, the implementation of the relevant policy instrument in each category is rated as Weak, Medium, Strong or Fronrunner. These ratings are combined to produce an overall rating for the policy implementation as shown below.

The framework has been tested by application to policies in two countries, South Africa and the UK, and is now ready for use in a wider range of countries.

This implementation check in conjunction with the ambition assessment comprehensively describes the quality of the climate action of a country in a specific sector.

## Ambition check (CT policy assessment) and implementation check tool



1 CTR is an independent consortium of experts which conduct robust, credible assessments of country’s climate action and summarise these annually  
 2 [www.climate-transparency.org/g20-climate-performance](http://www.climate-transparency.org/g20-climate-performance)

# INTRODUCTION

## WHY DO WE NEED AN IMPLEMENTATION CHECK?

Given the urgency of the science as expressed in the IPCC assessment reports, there has been increasing international and national focus on the need for policies aiming to reduce emissions of greenhouse gases. To meet the challenges of climate change, these policies need to be **both ambitious and implemented** in a way that realises that ambition as a matter of urgency.

Through the ratcheting mechanism of the Paris Agreement, NDCs should be increasingly strengthened to present targets in line with keeping temperature rise to below 1.5°C, and these targets should be supported by policies in each sector to achieve the overall outcome. However, to ensure timely course correction, it is important that policies at sectoral level are monitored regularly, rather than relying on the 5-yearly NDC ratcheting cycles and the 4-yearly National Communications reporting on progress at sectoral level – especially since the UNFCCC currently has no formal mechanism that can monitor implementation at this level.

Typically, the policy process starts with setting a strategic objective or target such as achieving an energy efficient building renovation rate of 3% per year, a policy instrument is then proposed and enacted to achieve this target, e.g., a green bank financing and information campaign. Implementation of the policy leads to a policy outcome such as increasing building renovation rates which ultimately leads to the impact of reduced emissions

e.g., in this case through reduced energy use. This simplified impact chain is laid out in Figure 1.

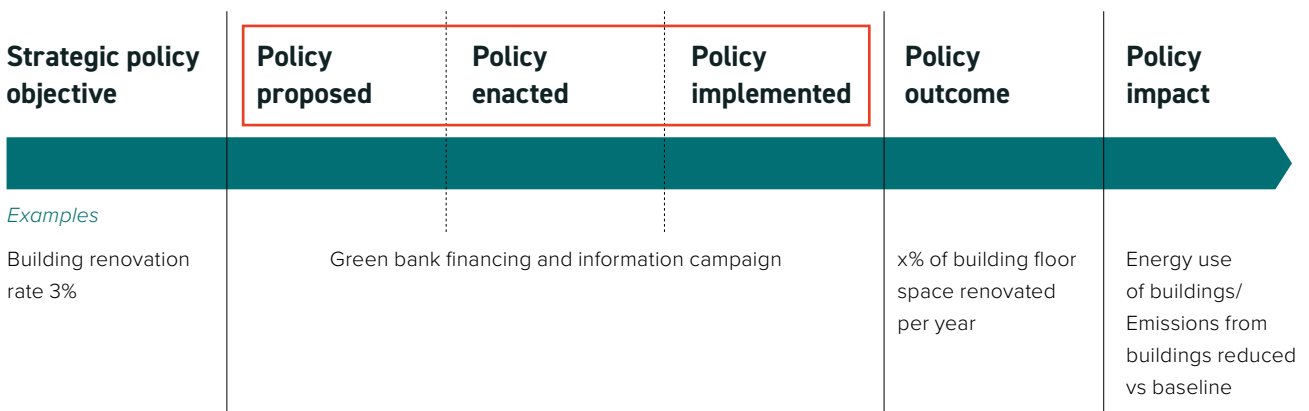
In practice, the development will be less linear and include iterations and co-dependencies with other policies. In addition, other factors outside the policy also affect the policy outcomes and impacts. Thus, a policy’s implementation can be considered one (key) factor, amongst others, that is required above and beyond the status quo to achieve the ultimate policy impact.

The ultimate measure of success of a policy will be whether it delivers the greenhouse gas emissions reductions in line with those needed to keep temperature rise below 1.5°C. However, these reductions and even outcomes of the policy may only be realised several years after the strategic policy objectives were set, giving little time to adjust policies if the impact is not sufficient. It is therefore useful to monitor policies along the whole process to enable adjustments in both ambition and implementation.

Amongst other factors such as overarching governance and finance, the success of individual policies is also important for the achievement of the targets set out in the Nationally Determined Contributions (NDCs). There have been a number of international and national studies<sup>3</sup> that aim to assess progress in different policy areas and the implications for NDCs.

**Figure 1: Simplified theory of change of policy-driven emissions reductions.**

The red box highlights the steps the implementation check framework is intending to assess. Note that with ‘policy’ we mean a specific policy instrument in the red box.



<sup>3</sup> Examples which we have assessed for this work include the Climate Action Tracker, the UNEP Emissions Gap Report, the Climate Change Performance Index, WWF’s NDCs We Want and WRI’s Climate Policy Implementation Tracking Framework / ICAT

# THE CLIMATE TRANSPARENCY REPORT'S G20 COUNTRY PROFILES

The Climate Transparency Report (CTR) is well-suited to include an implementation assessment – it is published annually, already includes dozens of indicators across several areas assessing policy ambition, policy outcomes and impacts (see Figure 2). This includes sub-economy/ sectoral indicators, such as share of renewables in power and transport emissions per capita. The CTR covers the G20 members annually and uses multiple sources, with a focus on comparability across members<sup>4</sup> and concise summaries.

Given the increased focus on implementation driven by the urgency of action needed and reinforced by the Conference of Parties (COP) 26, Climate Transparency commissioned a study to develop a framework for assessing the implementation of specific policies given their importance in achieving the overall NDCs. The framework is expected to add an early indication that a country<sup>4</sup> is taking the necessary steps to implement the stated policy even where outcomes have yet to be realised. The assessment should help measure whether countries<sup>4</sup> are taking the necessary steps to reach emissions reductions in line with the 1.5°C limit and, ideally, their 1.5°C compatible NDC targets.

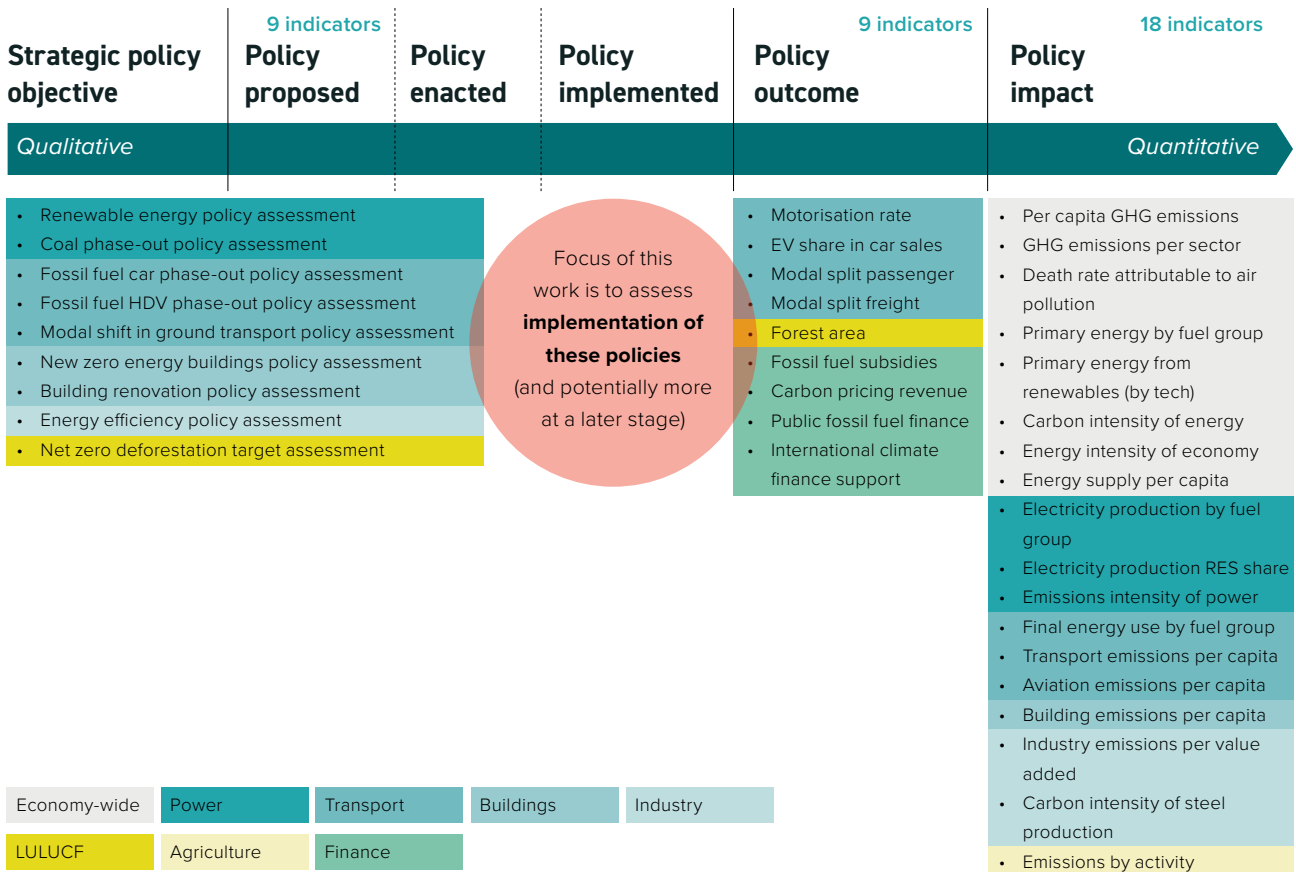
In line with the approach taken for other indicators in the CTR, the focus of the framework is on comparability between countries<sup>4</sup> and concise assessments, which can be updated annually.

Originally, it was hoped that the framework could be based on existing assessments. However, a literature review indicated that with the exception of some sources of information on legal status of policies there were no suitable assessments that are published often enough and covering the whole of the G20. This report therefore presents a framework for a simple, bottom-up policy-level, implementation check assessment which can be carried out relatively quickly by country experts.

The methodological framework presented in this report is in principle applicable to any policy implementation assessment. In this document we have embedded its specific application into the CTR concept, linking it with the existing policy assessment (the current “Policy Assessment” contained in the Country Profiles). The framework was developed in a study delivered by 7Gen and AG Climate & Energy for Climate Transparency in May 2022, and drew on desk research, prior experience, as well as several workshops with the Climate Transparency partnership.

**Figure 2: Focus of the Implementation Check**

The existing Climate Transparency Report Country Profiles already include many outcome and impact indicators as well as nine sectoral policy indicators (Ambition Check). The present study aims to develop an implementation assessment (Implementation Check) for these specific policies.



<sup>4</sup> Please note: We use the word ‘country’ in this report to mean jurisdiction, and the G20 members are also referred to as countries, although they include the European Union.

## CHARACTERISTICS OF IMPLEMENTATION

This implementation framework checks the most relevant characteristics for successful implementation of specific policy instruments:

- Does the instrument have a basis in law?
- Has a suitable organisation been given responsibility and resources to implement the instrument?
- Is implementation being appropriately monitored to ensure success?

These characteristics were analysed and their constituent elements grouped into four categories: Legal status, Institutions & governance, Resourcing, Oversight (see Figure 3). As described above, these categories were informed by experience of the policy process and by the outcomes from two workshops with international experts from Climate Transparency.

The elements in each category were selected to cover the key items considered as absolutely necessary for a policy instrument to be implemented. The purpose here is to answer the question:

### Is the policy instrument being implemented or not?

They do not consider the different flavours of implementation, e.g., they do not attempt to answer the question: **Is the implementation process following best practices in its processes?**

For example, the level of stakeholder involvement in the policy implementation process, while important in practice, is not included here as a stakeholder process, while recommended, **is not required to** implement a policy instrument.

For each of these categories, the framework includes specific questions around the main elements (see Step 3). The design and application of the framework is set out in this methodology. The results of two case studies (UK and South Africa) are available upon request.

Figure 3: Four categories of policy instrument implementation



# FRAMEWORK

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## OVERALL FRAMEWORK

Based on the requirements set out in the previous chapter, we have devised a framework which consists of six steps as shown in Figure 4.

The full framework in the six steps is tailored specifically for use with the CTR Country Profile policy assessments to make the link between these sectoral policy assessments and the sectoral outcome indicators in the Profiles. It is designed to be implemented within 1–2 days per country<sup>4</sup> by a small team of independent policy analysts who are already deeply familiar with

the overall policy situation of the country<sup>4</sup> they are assessing. The resulting ‘Implementation Check’ assessment is aimed at a broad audience typical of the readership of the Climate Transparency Report.

The core of the framework, i.e., the eight questions across four categories, can in principle be applied to any policy assessment.

In the following, we discuss each of the steps in turn.

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Figure 4: Overall framework in six steps



## STEP 1: Selection of policy areas

In principle, the framework allows for an assessment of any policy, regardless of the level of its ambition. However, one should focus the application of the framework primarily on countries and sectors with strong policies that are (almost) in line with a Paris Agreement compatible (global) pathway. The existing policy assessment in the Climate Transparency Report’s Country Profiles<sup>2</sup> already does this test at sectoral level using benchmarks derived from global integrated climate models. Each of the G20 members is assessed for their policy ambition across nine policy areas (see p5). Where possible, the benchmarks in the CTR report Country Profiles<sup>2</sup> are already differentiated by OECD/non-OECD countries.

In future the benchmarks could be differentiated based on country-level domestic 1.5°C compatible pathways such as the ones being calculated by Climate Analytics and/or sectoral benchmarks differentiated at country level.

In the context of the Climate Transparency Country Profiles, we recommend restricting the selection of policy areas to those

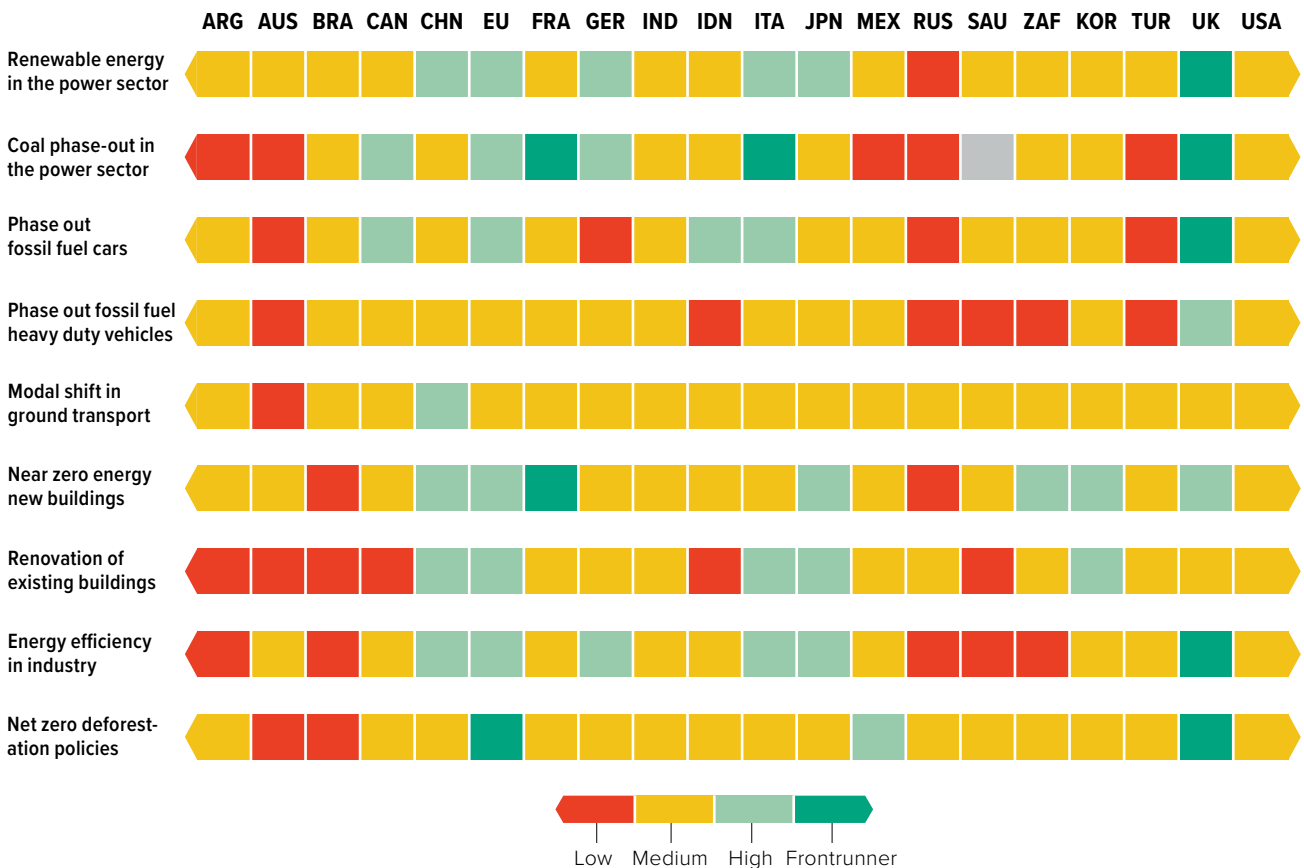
which have received a ‘High’ or ‘Frontrunner’ rating for their level of ambition in the existing policy assessment. While there may well be interesting policies to rate in sectors that only receive a ‘Medium’ rating in the Country Profiles, these will likely be of less interest, as even good implementation of a comparatively weak or restricted policy would have only a moderate impact on overall emissions. With limited resources, time and audience attention a focus on High/Frontrunner policy areas is warranted.

Based on the 2022 Climate Transparency Report’s Country Profiles, this would result in 40 combinations of policy area and country<sup>4</sup>. Each of the nine policy areas will have at least one country<sup>4</sup> which received a High or Frontrunner rating (see Figure 5).

Twelve of the G20 members will have at least one High or Frontrunner rating in at least one policy area. Eight countries received only Low/Medium ratings in 2022 (ARG, AUS, BRA, IND, RUS, SAU, TUR, USA).

Figure 5: Ambition ratings given for each country in the nine policy areas currently rated in the CTR Country Profiles.

With ‘Country’ in this table we mean jurisdictions/G20 members.





## STEP 2: Identification of key policy instruments per policy area

The existing policy assessment uses benchmarks per policy area which climate change scientists recommend for aligning emissions with a 1.5°C compatible scenario. However, the implementation check can only be applied to specific policy instruments.

In this second step, the key policy instrument which the implementation check should be applied to is identified for each country-policy area combination (e.g., each of the 40 country-policy area combinations in the 2022 report as described in the previous step).

The identified key policy instrument should be:

- The policy instrument which is the basis for the High/ Frontrunner strength rating of the policy area or
- The policy instrument which is expected to achieve the target which is the basis for the rating.

Where more than one policy instrument is equally important to achievement of the overall target of the policy area, multiple policies may need to be selected.

**We assume that all identified policy instruments can be classified as one of the following:**

- Auctions, Contracts for Difference (CfDs)
- Renewable obligations
- Feed in tariffs
- Subsidies
- Emissions Trading System (ETS)
- Regulations
- Standards
- Taxes, incl. Carbon tax
- Investments (incl. loans & R&D)

Should it not be possible to identify which policy instrument or instruments the government intends to use to implement the stated target, this would invoke the 'Weak' rating override further described for policies with a later implementation start (see Step 3).

## STEP 3: Testing each policy instrument across four categories

Once the instruments have been identified, each instrument is tested in turn against questions in each of the four categories. Before this can happen, however, it is assessed:

- Whether the test should be done at all given the implementation start date
- Whether all or just some questions apply to the instrument being tested

### IMPLEMENTATION START

Two overarching questions need to be addressed before assessing the questions individually for a given policy instrument, namely:

**Has implementation begun yet?**

**If not, should it have begun by now?**

We have three possible answer cases as described below, the first of which lets the test and ratings proceed as envisaged, and the latter two of which result in an overriding of the subsequent steps, giving a fixed answer/rating to all questions independent of their actual ratings.

- If the answer to A is 'Yes', all questions are tested and their answers used in the ratings.
- If the answer to A is 'No' and the answer to question B is 'Yes', this results in a 'Weak' rating which overrides all individual questions regardless of the actual assessment.

If the answer to A is 'No' and the answer to question B is also 'No', this results in a 'Not yet rated' rating which overrides all individual questions regardless of how they would actually be rated.

**!** The 'No' answer to question B should only be given if a policy or its instrument has an implementation date far enough into the future **AND**

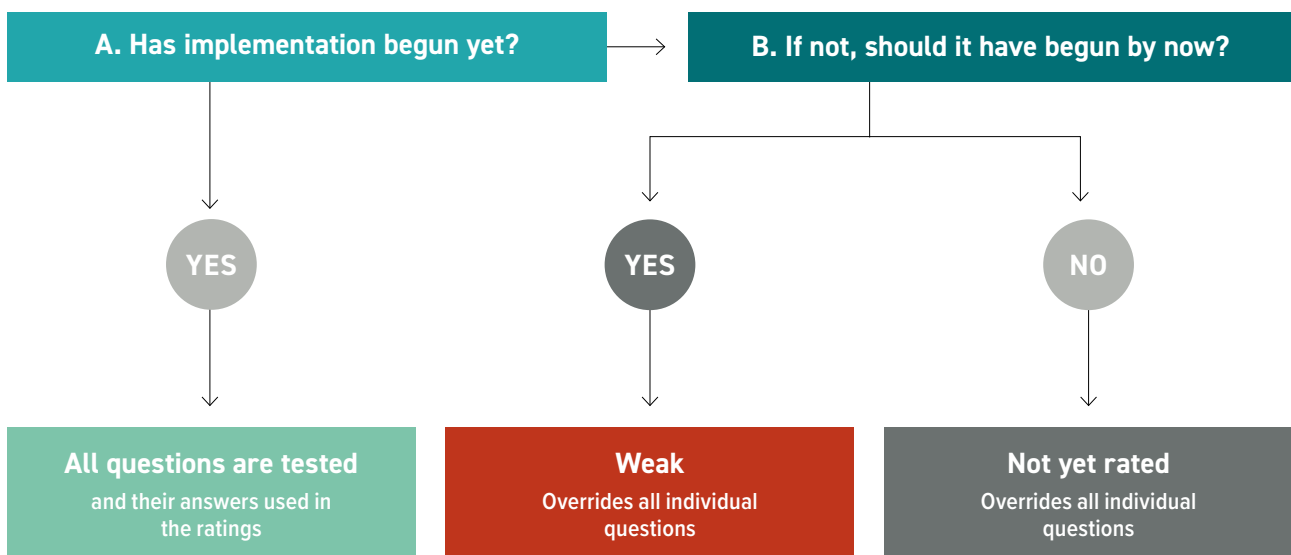
- The government has set out a timetable for implementation that foresees an establishment of a legal basis sometime after today **OR**
- There is still enough time to establish the legal basis and compliance before the expected implementation date even when accounting for
  - The time required to establish the legal basis, institutions, regulations and resourcing of the policy instrument
  - inherent lags in the sector due to stock turnover or capacity building needs.

In essence, this means the assessment is postponed to a future date.

For the two override cases, we still recommend doing the assessment to gain further insights also for the text writeup, but their results would always show as 'Not yet rated' or 'Weak'.

We also use this Override step to apply a 'Weak' rating throughout in cases where no policy instrument can be identified at all.

Figure 6: Graphical illustration of the two questions regarding implementation start of the policy instrument which can result in an 'Override' rating.



## TESTING POLICY INSTRUMENTS AGAINST IMPLEMENTATION QUESTIONS

**For (each of the) key policy instruments eight questions are tested across four categories as set out below.** Depending on the answer, a policy instrument is rated Weak, Medium or Strong (see p13).

Some questions do not apply to some policy instruments in which case the question is not tested but rated N/A (see p12). Where the policy instrument is not yet in implementation the answer is

recorded as 'Not yet rated' or 'Weak' depending on the required implementation speed (see p10).

The test questions and categories are briefly laid out below and their interpretation and use discussed in detail on pages 13-17. As some questions require expert judgement, this test should be performed by (independent) country policy experts.



### Legal status

*Q1: Is there a legal basis for the implementation?*

Most policy instruments require a legal basis for implementation. We therefore start the assessment with this check.



### Institutions & governance

*Q2: Are there institutional bodies tasked with implementation of the policy instrument and its laws and regulations?*

To achieve implementation, it is paramount that an institution/organisation is given the responsibility to implement.

*Q3: Are the rules and regulations clear and credible to meet the policy objective?*

This question has two parts:

- Transparency on the policy instrument's processes will help spur adoption/deployment.
- The definition of the policy instrument needs to align with the overall policy objective, i.e., 'credible' in this question means the rules and regulations are likely to lead to the expected policy objective or are sufficiently flexible to adjust to meet the objective



### Resourcing

*Q4: If the policy instrument has budgetary implications, does budget include it and/or is the cost recovery mechanism clear?*

If there is no money allocated or no clear way to recover costs, the institutional body with responsibility for implementation will not have the resources to do so. This question can be applied in two ways, depending on the policy instrument type:

- Budget here refers to a government (central, regional or city as appropriate)
- Cost recovery applies where the policy instrument introduces costs which are not government funded, e.g. a renewable energy obligation on utility companies needs to allow for the utility company to recover the additional cost to be credible.

*Q5: Are the implementing bodies well-resourced and existing at the appropriate level?*

This question is designed to assess whether implementation is being hampered by a shortage of staff or funding in the responsible institutions. In practice, this can only be assessed if an existing report has investigated this and can be used as evidence. This is why we have a 'No evidence' option for the answer (see p15).



### Oversight

*Q6: Have any monitoring results been made public?*

This question is assessing whether a system for monitoring the implementation of the policy instrument is in place and generating publicly accessible results, which can be used to adjust the policy if needed.

*Q7: Does the latest monitoring report indicate that the policy's goal will be achieved on time?*

This question asks if implementation is on track to achieving the stated goal of the overall policy which gives an indication of the effectiveness of implementation of the policy instrument.

*Q8: Is there a process of evaluation to assess the quantitative outcome of the policy instrument?*

This question assesses another aspect of appropriate feedback loops by checking whether policy instrument's outcomes are quantitatively evaluated.

## APPLICABILITY OF QUESTIONS AND N/A RATING

In principle, all eight questions are tested for any key policy instrument that is identified in Step 2. However, for a few policy instruments, selected questions do not apply, and instead of being rated Weak, Medium or Strong, they receive an N/A (not applicable) rating. An N/A rating is disregarded in the combination of ratings in Step 4.

For the majority of instruments in the RES power policy area (such as Auctions/CfD, RES obligations and Feed in tariffs), as well as subsidies in any policy area (e.g., through grants, loans or support schemes), all eight questions are tested.

For some instruments which merely regulate, but do not primarily require funds, such as an ETS, regulations or standards, the budgeting/cost recovery question does not apply.

This is also the case for taxes. In addition, taxes also likely do not require a separate, standalone institutional structure and oversight arrangements as they will likely be covered by existing structures.

Finally, investments into infrastructure or R&D may not need a separate legal basis as governments usually have a mandate for this type of spending already.

**Figure 7: Applicability of the eight test questions to different types of policy instruments (x=applicable, N/A=not applicable)**

Category	Legal status	Institution & governance		Resourcing		Oversight		
	Legal status	Institutional bodies	Rules and regulations	Budget/cost recovery	Well resourced institutions	Monitoring results	On track?	Evaluation
Auctions, CfD	x	x	x	x	x	x	x	x
Renewable obligation	x	x	x	x	x	x	x	x
Feed in tariffs	x	x	x	x	x	x	x	x
Subsidies	x	x	x	x	x	x	x	x
ETS	x	x	x	N/A	x	x	x	x
Regulation	x	x	x	N/A	x	x	x	x
Standards	x	x	x	N/A	x	x	x	x
Taxes, incl. Carbon tax	x	x	x	N/A	x	N/A	N/A	N/A
Investment (incl. loans & R&D)	N/A	x	x	x	x	x	x	x



## LEGAL BASIS

### Q1: Is there a legal basis for the implementation?

Possible answers and nuances:

- For investment type policies → **N/A**
  - Question is not applicable.
- In law / not needed in this country → **Strong**
  - Except for investments, the policy instruments we have considered should all require a legal basis. If this legal basis exists, e.g., in the form of a law or a statutory regulatory code, we give a 'Strong' rating.
  - However, there may be some nuances at country level, e.g., there may be some countries which can proceed with regulations without a legal mandate. If a legal basis is not required, we also give a 'Strong' rating.

- In draft / requirement unclear → **Medium**
  - If a legal basis is known to be in preparation and can reasonably be expected to come to fruition, we rate this 'Medium'.
- No/unknown → **Weak**
  - If this legal basis is required in the country under investigation, but has not been established and does not appear to be in preparation, or is not clearly communicated publicly, we rate this 'Weak'.
  - NB: For this rating it is important that we are confident that a legal basis is required for implementation. If we are unsure, we should use the 'Medium' rating.



## INSTITUTIONS & GOVERNANCE

### Q2: Are there institutional bodies tasked with implementation of the policy instrument and its laws and regulations?

Possible answers and nuances:

- [Applicable to all policy instruments, so no N/A rating possible]
- Yes → **Strong**
  - If it is clear which institution is tasked with implementation of the policy instrument, we give a 'Strong' rating.
  - This does not need to be a new institution specifically set up for this policy. E.g., building regulations are often implemented by local municipalities.
- Yes, but no legal mandate → **Medium**
  - If an institution can be identified but there are doubts over whether they have legal enforcement/implementation powers, we rate this 'Medium'.
- No/unknown → **Weak**
  - If it is not clear at all, which institution will implement the legislation, we give a 'Weak' rating.
  - If implementation is still underway and institutions are in the process of being created, this can be mentioned in the text and the rating should progress to Strong/Medium during the next assessment cycle showing the progress clearly.

### Q3: Are the rules and regulations clear and credible to meet the policy objective?

The second part of this questions either needs existing evidence or judgement from a policy expert to assess. The exact nature

of the assessment will depend on the policy instrument in question, the country context and the stated target/ambition/policy objective it has been designed to achieve. Examples are given below and in our case studies, but these do not present an exhaustive list.

Possible answers and nuances:

- [Applicable to all policy instruments, so no N/A rating possible]
- Yes → **Strong**
  - Both objectives have to be met for a 'Strong' rating, i.e.:
    - Rules and regulations have to be clear and transparent
    - Rules and regulations should clearly be specified in such a way as to lead to the expected outcome of the policy rated or should be sufficiently flexible to adjust to achieve the objective.
  - E.g., if the rating is based on a targeted emission reduction/energy intensity value, it should be clear how the policy instrument achieves this objective.
  - For policy instruments such as renewable auctions, the full set of auction objectives might not be specified at the outset. Frequency of the auctions will be a factor in determining flexibility.
- Yes, but with some unclarities → **Medium**
  - If only one of the objectives above is met, we rate this 'Medium'.
- No/unknown → **Weak**
  - If neither of the two objectives above are met, we rate this 'Weak'.

## RESOURCING

### Q4: If the policy instrument has budgetary implications, does budget include it and/or is the cost recovery mechanism clear?

Possible answers and nuances:

- For pure regulation, standards, ETS or tax policies → **N/A**
  - These types of policy instruments do not require additional funds or resources, apart from the resourcing of institutional structures and their oversight functions (which is covered by the next question), and are therefore rated N/A.
- Yes → **Strong**
  - If a policy instrument has a budget implication, e.g., a subsidy or an investment, then to receive a 'Strong' rating, there needs to be clarity on whether these funds have been planned for in the country's budget.
  - Similarly, if a policy instrument does not have a direct budgetary implication, but there will be a considerable cost to other economic actors, e.g., a renewable obligation or a feed-in tariff, then to receive a 'Strong' rating, there needs to be clarity on how these actors can recover the additional costs.
- No/unknown → **Weak**
  - If a policy instrument has a budgetary implication, but it is unclear whether this budget has been planned for, we give a 'Weak' rating.
  - Similarly, if a policy instrument has a cost implication for other actors, but the mechanism by which these actors can recover the costs is lacking or unclear, we give a 'Weak' rating.

### Q5: Are the implementing bodies well-resourced and existing at the appropriate level?

Possible answers and nuances:

- [Applicable to all policy instruments, so no N/A rating possible]
- Evidence that well-resourced → **Strong**
  - The Strong rating is typically given for policies which either have been operational for a while so that monitoring reports give insights into how well the institutions are performing.
  - Occasionally there may be grey literature on the strength of resource/effectiveness of institutions in this space.
- No evidence either way → **Medium**
  - If we cannot find any (grey) literature/information of how well the institutional arrangements work, we rate this 'Medium'.
- Evidence that under-resourced → **Weak**
  - If (grey) literature or monitoring reports show that implementation is lacking due to institutional under-resourcing or ineffectiveness, we rate this 'Weak'.

**Q6: Have any monitoring results been made public?**

Possible answers and nuances:

- For tax policies → **N/A**
  - We would assume a simple tax instrument to flow through the established tax collection and administration system and also be covered under their monitoring reports. If a separate monitoring report exists for a tax instrument in the climate, this can still be mentioned in the text.
- Policies with future monitoring publication dates → **Not yet rated**
  - In addition, for recently started policies where a monitoring report is expected in the future and the approximate publication date has been announced, we also give a 'Not yet rated' rating.
- Yes → **Strong**
  - If a monitoring report on the policy has been published by the government, we give the 'Strong' rating.
  - The monitoring reports should be sufficiently detailed to give confidence in the implementation of the policy, with details on outcomes.
- No → **Weak**
  - If there is no information about when a monitoring report can be expected, or a report was due but has not been published, we give a 'Weak' rating.

**Q7: Does the latest monitoring report indicate that the policy's goal will be achieved on time?**

Possible answers and nuances:

- For tax policies → **N/A**
  - See Q6 for reasoning
- Policies with forthcoming reports → **Not yet rated**
  - Otherwise, if Q6 was answered as 'not necessary yet', i.e., a monitoring report is expected at a future date for a fairly recent policy and that date is fairly clear, the Not yet rated rating is applied.
- Yes → **Strong**
  - If a monitoring report on the policy has been published by the government and that report shows that the policy is on track to achieve its stated goal, we give the 'Strong' rating.
- No → **Weak**
  - If a monitoring report has been published and has shown that the policy is currently not on track to meeting its stated objectives, we give a 'Weak' rating.
  - If Q6 was rated 'Weak', we also give the 'Weak' rating.

**Q8: Is there a process of evaluation to assess the quantitative outcome of the policy instrument?**

Possible answers and nuances:

- For tax policies → **N/A**
  - See Q6 for reasoning
- Yes → **Strong**
  - If a process of evaluation of the quantitative impacts has been set up, we give the 'Strong' rating. For this rating it is not required that the process has yielded an evaluation yet, we simply rate the existence of the process.
- No → **Weak**
  - If no evaluation process has been set up or communicated clearly, we give the 'Weak' rating.

## STEP 4: Combining answers into category and overall ratings

The ratings per question are combined into an overall rating per each of the four categories: Legal basis, Institutions & Governance, Resourcing, Oversight as shown in Figure 8.

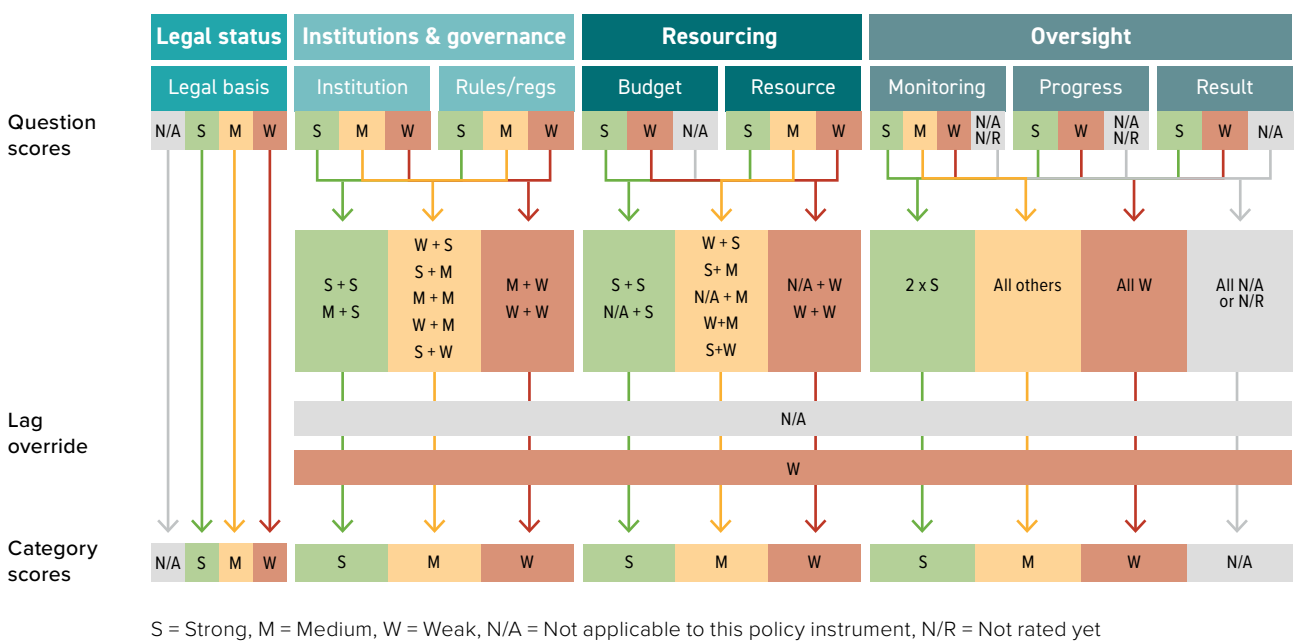
Note that if a policy instrument is due for implementation in future, it receives a 'Not yet rated' rating for all questions.

In a final step, the category ratings are then combined into an overall implementation rating for the policy instrument. The

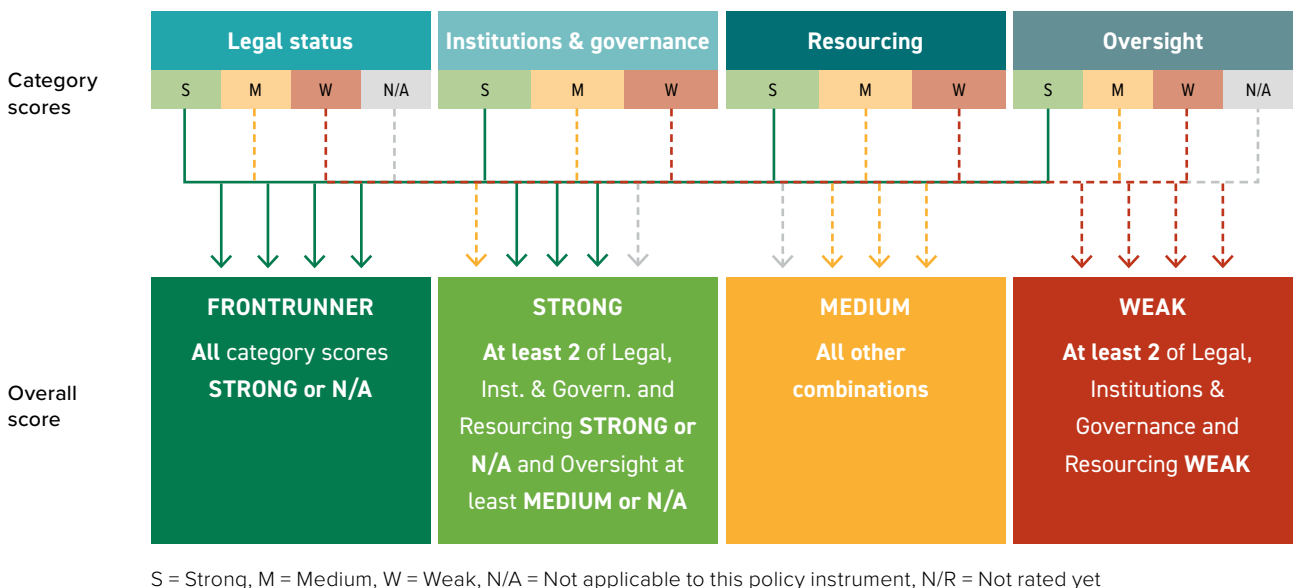
weighting for the categories in the overall score is explained in Figure 9, showing the Oversight category is given a slightly lower weighting for some of the ratings.

Both, the category and overall ratings would be shown in the Country Profiles alongside explanatory text (see step) and ideally positioned next to the existing policy assessment that they took as the starting point (see Figure 10).

**Figure 8: Rules for combining ratings per question to an overall rating at category level**



**Figure 9: Rules for combining ratings per category to an overall implementation rating**





## STEP 5: Writeup of explanatory text and final layout

Our recommendation for communicating the implementation check in the context of the CTR Country Profiles is to show it immediately next to the existing policy assessment and to name that assessment ‘Ambition Check’ to differentiate it from our new ‘Implementation Check’.

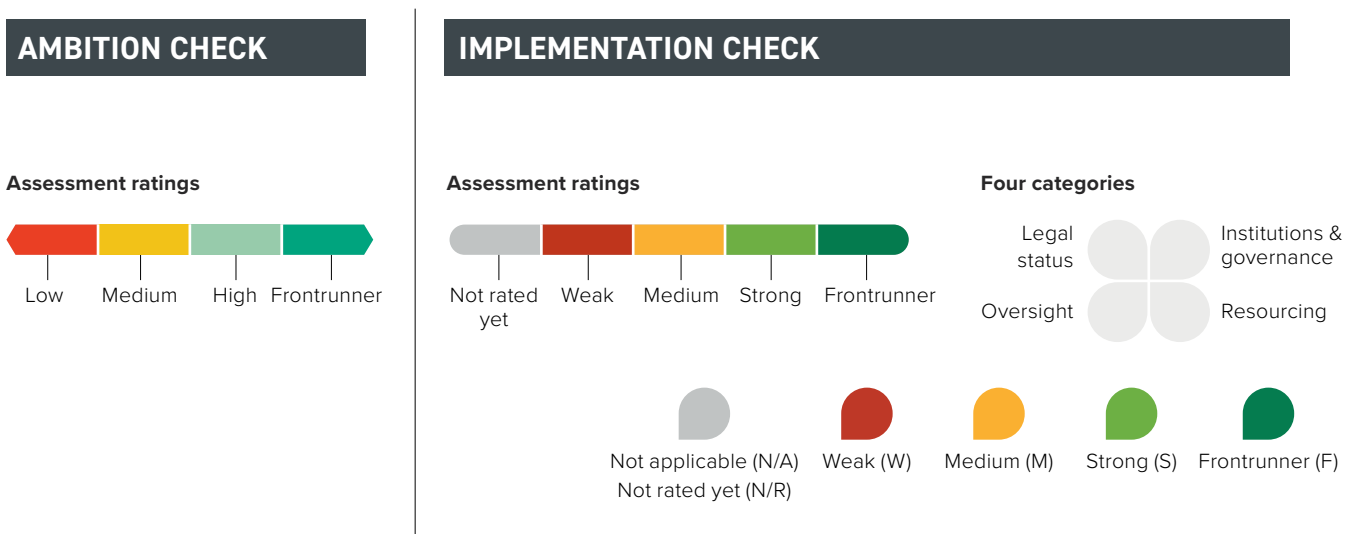
A short text for the implementation check (<200 words), placed immediately next to visual representations of the category and overall implementation check ratings, describes briefly the reason for the rating per category.

It should also always mention briefly whether the policy instrument or policy area is mentioned in the country’s NDC. Where a policy happens to be for a sector which is much more, or much less, significant than other sectors in the country’s overall emissions profile, e.g., representing less than 5% of total emissions, this should also be noted to put the importance of the policy into context.

Where appropriate either the Implementation Check text or the Ambition Check text should mention key supporting / enabling policy instrument(s) which the implementation of the policy may depend on.

Figure 10 shows the suggested structure for this layout with the Ambition Check and Implementation Check side by side with their overall ratings and description texts. In addition to the text and the overall rating, the Implementation Check will show the category level rating, here initially drafted in a ‘clover leaf’ shape. For assessments where more than one policy instrument is critical to achievement of the ambition, subheadings would need to be inserted and the description text may need to be shortened to accommodate these headings and the additional rating graphics.

Figure 10: Illustration of the layout and possible design options for the Implementation Check when embedded into the CTR Country Profiles alongside the Ambition Check



## STEP 6: Calibration

In a final step, assessments should be calibrated across countries<sup>4</sup> and, as appropriate, policy areas, ideally in a single session including all country assessors. This is especially important for those questions/assessment which had to apply criteria that carried some uncertainty.

As an example, the answer to the question “Should implementation have started?” is likely to involve an element of judgement on the time needed to implement a particular policy instrument in a specific country. It may be possible to drop the

calibration stage after several rounds (years) of assessment within an established team, but especially in the first few rounds (years) and/or when new assessors join the team, this direct exchange is critical to ensure that any remaining subjectivity/uncertainty in the testing is reduced as much as possible.

Independently of this calibration step, an in-country review may be considered while doing the assessment, either through country partners or members of government in country, especially during the initial iteration of the assessment.



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