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# UK PACT

(Partnering for Accelerated Climate Transitions)

Market Engagement Workshop  
27 November 2018



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# Welcome and Introduction

Jenny McInnes

Deputy Director, Partnerships and Capability  
International Climate Finance



# What is today for?

1. Update on UK PACT activities to date
2. Get your input on the procurement of our Delivery Partners
3. Generate discussions amongst peers on the key challenges of UK PACT

# Agenda

1. Welcome and introduction
2. Update on UK PACT activities, inc. Q&A
3. UK PACT panel session, inc. Q&A

Coffee break

4. Procurement of delivery partners overview
5. Roundtable discussions
6. Next steps/wrap-up

Close

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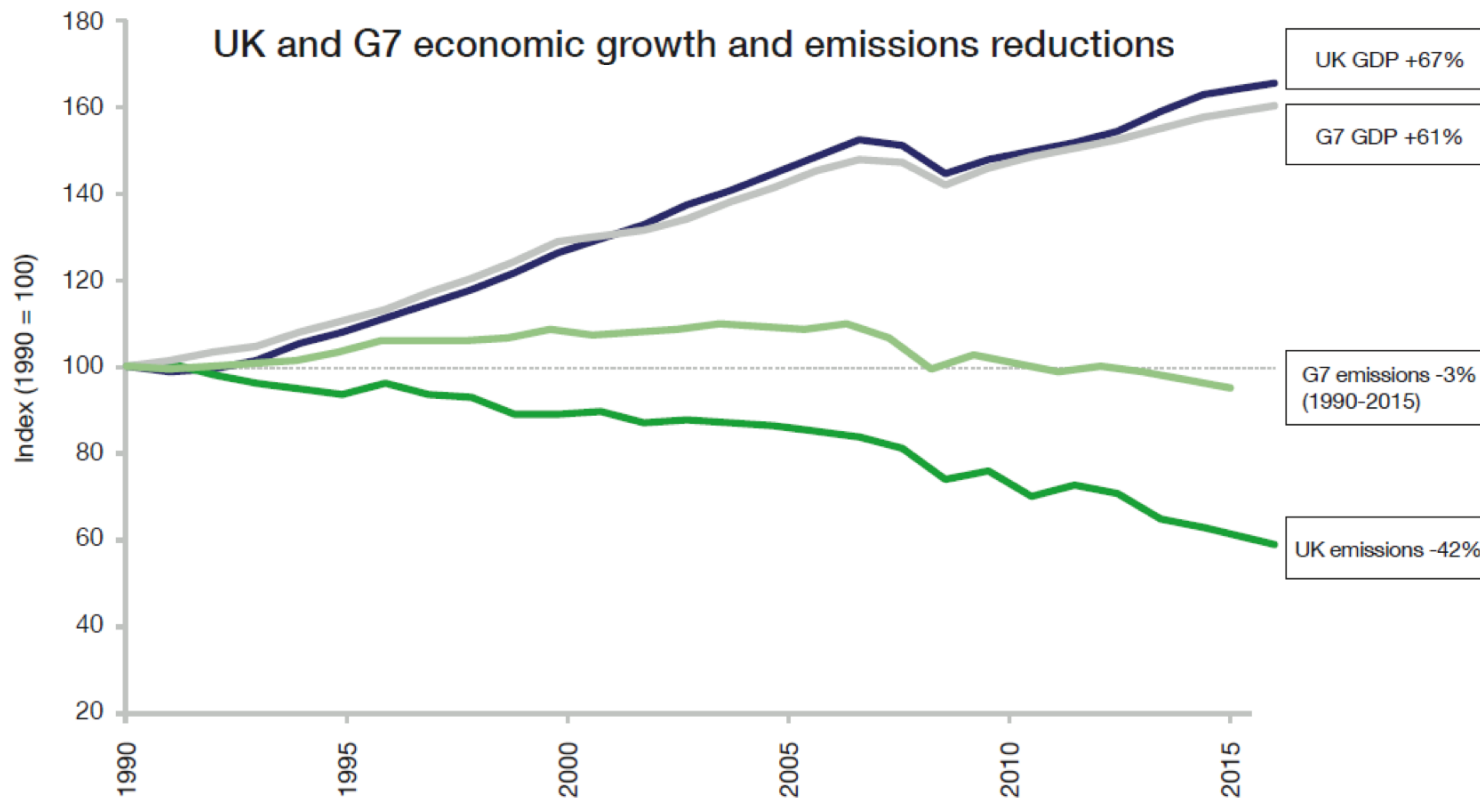
# Strategic Context for UK PACT

Kate Hughes

Director, International Climate Finance



# UK performance – decoupling growth and emissions



Source: UNFCCC; World Bank; BEIS

# Strategic Context for UK PACT



The UK has committed with other countries to mobilise \$100bn of climate finance a year by 2020



UK contribution: £5.8bn International Climate Finance (ICF) for 2016-2021



Department for Environment Food & Rural Affairs



Department for International Development

Other programmes through Defra and DFID



Department for Business, Energy & Industrial Strategy

BEIS ICF manages £2bn



**UK PACT:** £60m fund to build capacity and capability to reduce carbon through technical assistance in ODA-eligible countries.



# Sharing UK expertise – UK PACT

Technical Assistance: money for **experts, training, research, services** and **data** (programmes)

The overarching aim of UK PACT is to:

- Increase the **capacity and capability** of partner institutions, in order to facilitate **increased ambition** for emissions reductions at the country level.
- Put our **best foot forward** by working in areas of key **UK low-carbon strengths**.

Aligned with best practice for TA delivery:



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# UK PACT Key Components (1/2)



**HMG delivery team in London and in key countries**  
3-4 people in country and UK PACT team in London



**Bilateral programmes**  
3 priority countries this year with a view to add 4 new priority countries in 2019 and 2020.



**A global 'challenge' fund with thematic windows**  
Determined by global policy need / thematic initiatives (e.g. the Powering Past Coal Alliance)



**Short term skill sharing in areas of UK expertise**  
Responding to in-country requests for short-term TA



**Long term secondments of individuals into key institutions**  
Delivering responsive, long-term support and capacity building



# UK PACT Indicative Key Components (2/2)

		2018			2019				2020				2021	
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
Short-Term Skill Share (3 per country per year, 45 in total)  ★ = 1 STSS	China				★	★	★ ★	★	★	★		★	★	
	Mexico			★	★ ★	★		★	★	★		★	★	
	Colombia		★	★	★	★		★	★	★		★	★	
	New Country 1						★	★	★	★		★	★	
	New Country 2						★	★	★	★		★	★	
	New Country 3										★	★	★	
	New Country 4										★	★	★	
Long-Term Secondments (2 per country, 12 in total)  ▣ = Secondments underway	China													
	Mexico													
	Colombia													
	New Country 1													
	New Country 2													
	New Country 3													
	New Country 4													
Country-Specific Programme Fund (6 projects per round, 66-74 in total)  ● = Fund Allocation Rounds ■ = Projects Underway	China		●					?	●	?	●			
	Mexico		●					?	●	?	●			
	Colombia		●					?	●	?	●			
	New Country 1									●	?			●
	New Country 2									●	?			●
	New Country 3													●
	New Country 4													●
Global Programme Fund (12 projects per round, 36 in total)  ● = Fund Allocation Rounds ■ = Projects Underway	tbc					●			●					
									●					

# UK PACT vision

**“to support partner countries to accelerate their clean growth transitions, meeting the demand for high quality skills and expertise aligned with UK leadership”**

UK PACT will deliver high-impact technical assistance (TA) which will support low-carbon growth in ODA-eligible countries. Our goals are to:

- Contribute to the **reduction of the country’s emissions and poverty**, by improving the **capacity and capability** of key institutions (public, private, and civil society);
- Provide **demand-led TA** that prioritises implementation and helps **raise climate ambition**, by addressing barriers, constraints and areas of opportunity based on the country’s political and economic context and sectorial priorities;
- Work in areas where the **UK has experience and expertise to share**.

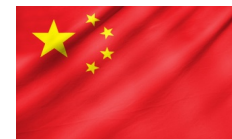
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# Update on UK PACT early activities: Bilateral programmes



# Early activities in priority countries

Initial activities being implemented in **China, Colombia and Mexico** worth £6m.  
Proposals worth over **£98m** submitted.



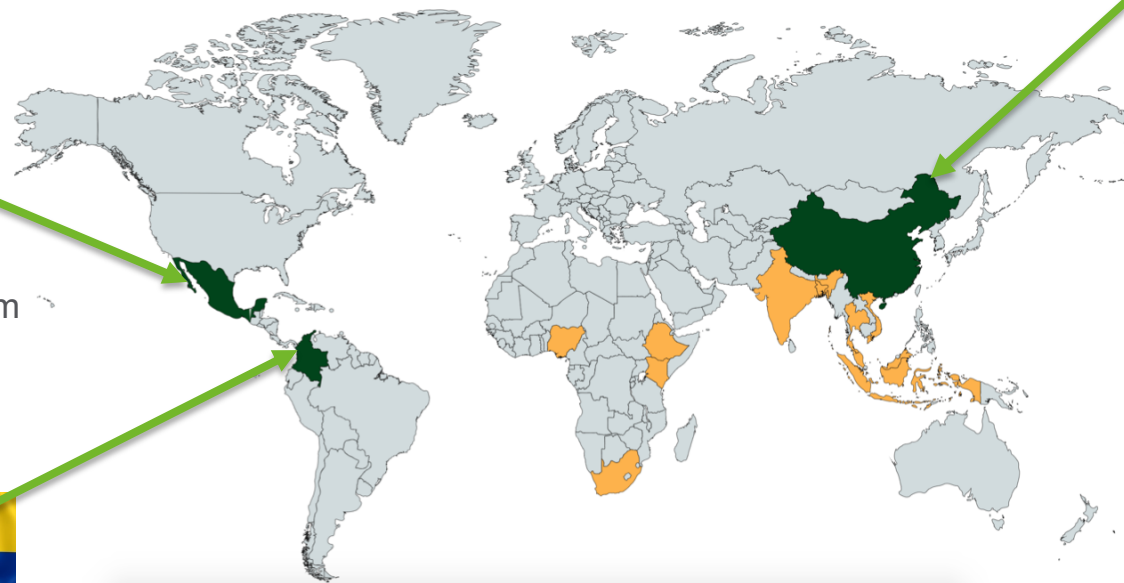
Proposals value: £16m  
No. of proposals: 60



Proposals value: £30m  
No. of proposals: 120



Proposals value: £52m  
No. of proposals: 150



**4 new priority countries** to be added in **2019 and 2020**.  
*Highlighted countries feature on the shortlist.*

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# Update on UK PACT early activities: Skill-shares



# Colombian Amazon Skill-share – September 2018



- The British Ambassador to Colombia, Dr. Peter Tibber
- A delegation of 6 British and 6 Colombian organisations (total of 16 experts)
- Four days of international exchanges to improve and implement good sustainable tourism practices and scientific research
- Ultimate goal: **stop deforestation** and **stimulate the socioeconomic development** of the region.
- Seeking to integrate skill-share into other elements of the programme where appropriate.



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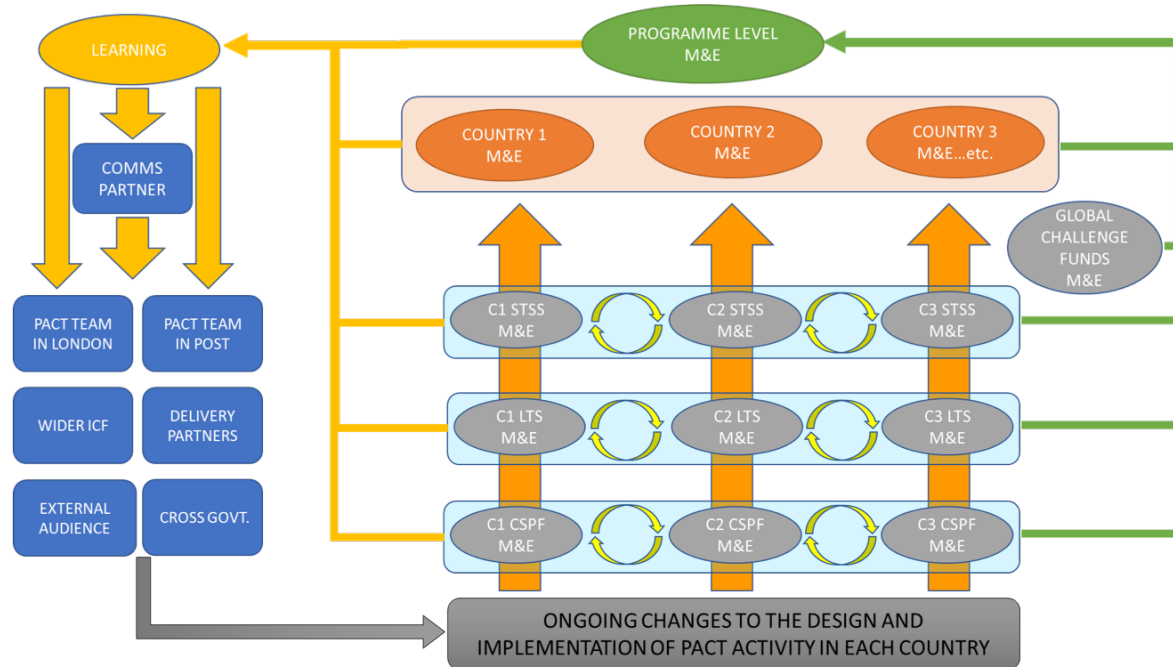
# Update on UK PACT early activities: Monitoring & Evaluation





# Monitoring & Evaluation

- ITT for dedicated M&E partner currently live – M&E partner will be selected before Christmas.
- **Aim:** to ensure decision-making on the design and implementation of PACT is regularly informed by an up-to-date evidence base and that lessons learnt are fed back and acted upon by BEIS and delivery partners.
- Relies on close collaboration with BEIS and delivery partners.



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# Q&A

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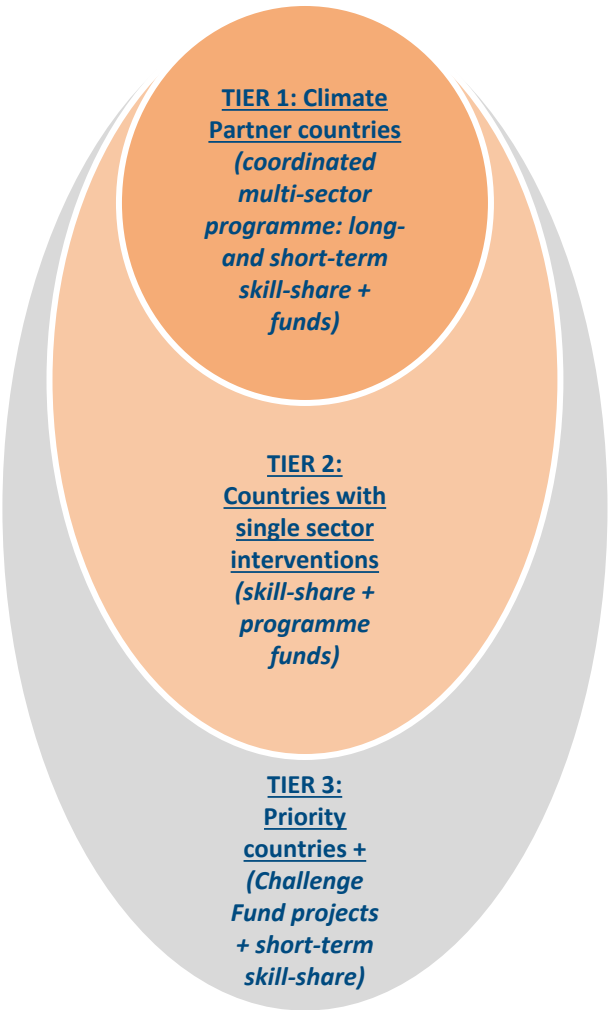
# Country Leads: Panel Discussion

Ben Rattenbury – China

Jack Williams – Colombia

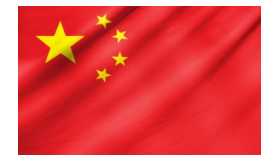
Steven Gray – Mexico

Moderated by Kate Downen



Where?	What?
  	   
 	   
	 

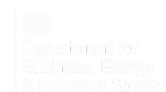
# China



Pilot activities Call for Proposals launched in summer 2018  
with £2m funding available, focussing on:



**Green Finance**  
With four strategic pillars:



# Colombia



Pilot activities Call for Proposals launched in summer 2018  
with £2m funding available, focussing on:



Energy: renewables,  
efficiency, access



Green growth policy



Climate finance



Sustainable tourism  
& scientific research



Infrastructure &  
mobility



159 proposals received



Proposals evaluated  
and analysed



2 ETA\* projects selected;  
11 full bids for 1 year projects  
pending final selection

\*Early Transition Activities

# Mexico



Pilot activities Call for Proposals launched in summer 2018  
with £2m funding available, focussing on:



Mobility



Waste



Climate finance



Energy: renewables,  
efficiency, access



Green growth policy



132 proposals received



Proposals evaluated  
and analysed



3 ETA projects selected;  
18 full bids for 1 year projects  
pending final selection

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# Country Leads: Panel Discussion

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Steven Gray – Mexico

Moderated by Kate Downen



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# Coffee Break

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# ITT update and questionnaire

Ben Rattenbury

International Climate Finance

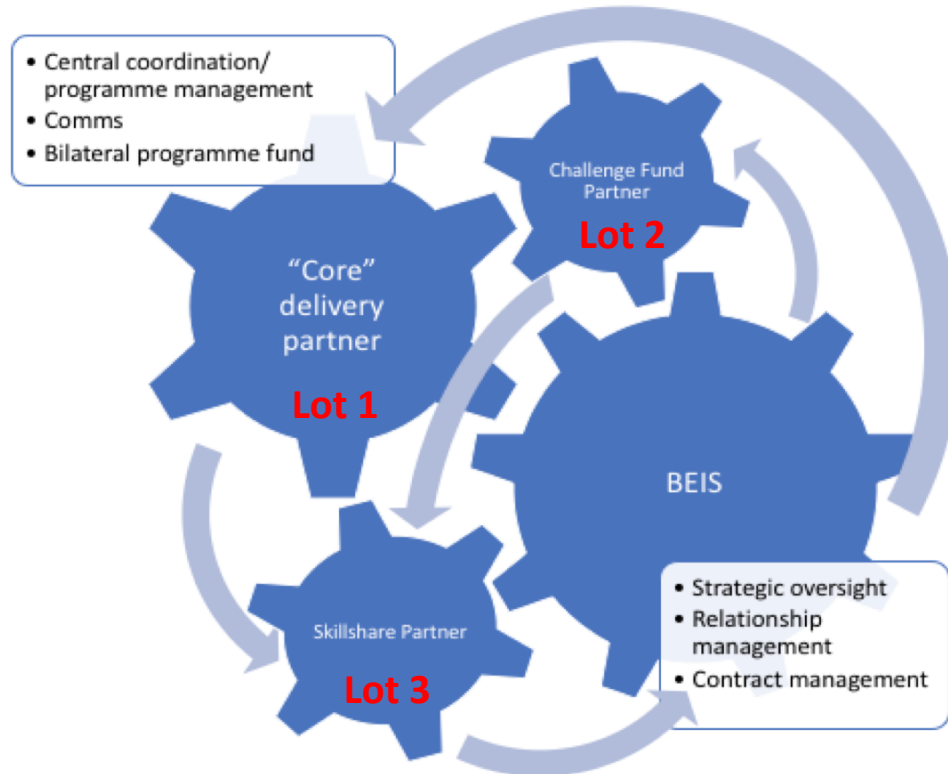


# ITT Update

Procurement of UK PACT delivery partners, to support BEIS in running the four components of UK PACT, scope demand, and wider strategy.



# Procurement Structure – 3 Lots



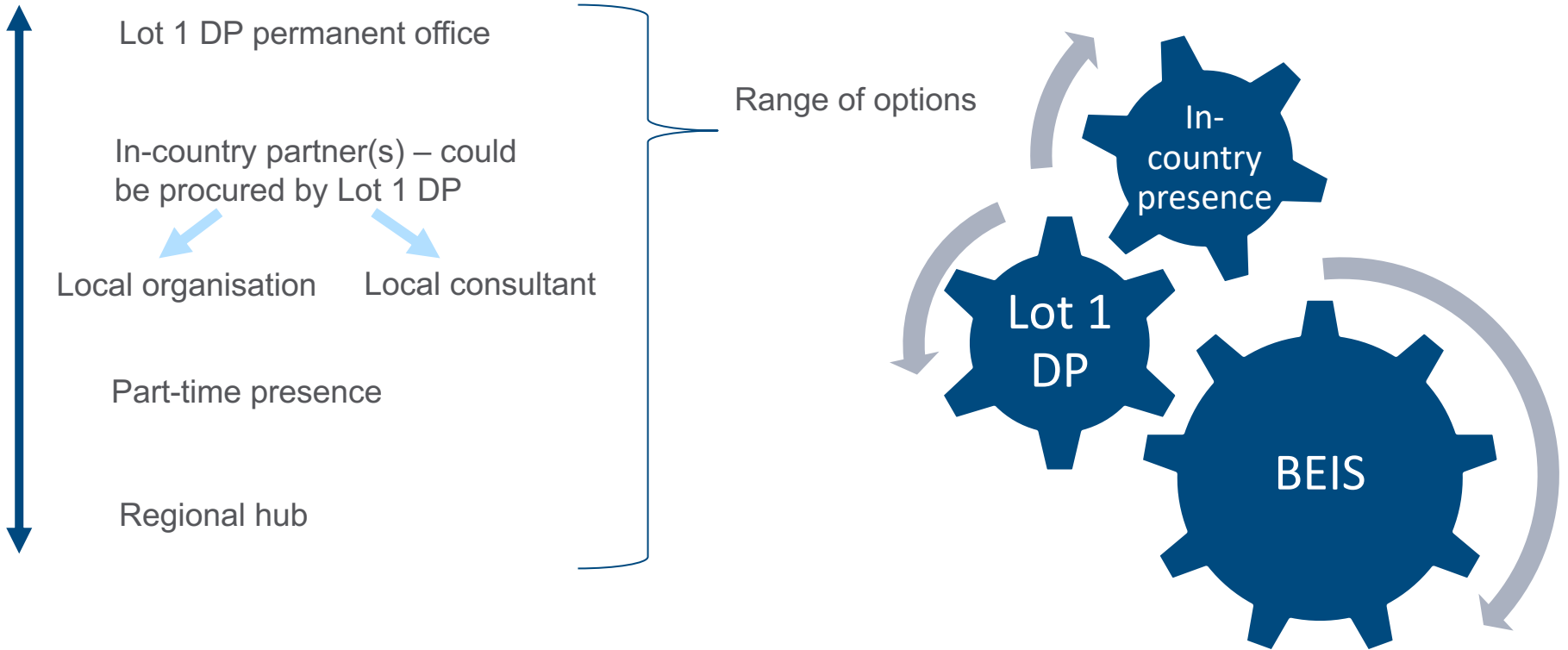
# Procurement guidance

- Suppliers are allowed to submit bids as consortias, however the ‘Lead Supplier’ must be named.
- Suppliers can submit bids individually as well as joining up and bidding as a consortium. Suppliers should declare this information with both BEIS and the supplier/s they would be joining up with as a consortia.
- Suppliers may not restrict another organisation (such as a partner or sub-contractor) from making any arrangements with a third organisation (e.g. becoming a partner in another consortium)

# Strategic Questions Summary

<i>Issue</i>
1. In-country presence
2. Bilateral programme delivery model
3. Conflict of interest
4. Long delivery chains – ensuring VfM
5. Strategic interface – ways of working
6. Payment by results
7. Skillshares – organisations vs. individuals

# 1) In-country Presence



## 2) Bilateral programme delivery model

### Demand scoping and analysis

#### How, when and what types of funding rounds: (linked to country strategy)



- Call for Proposals
  - Open
  - Time-limited
  - Subject-specific



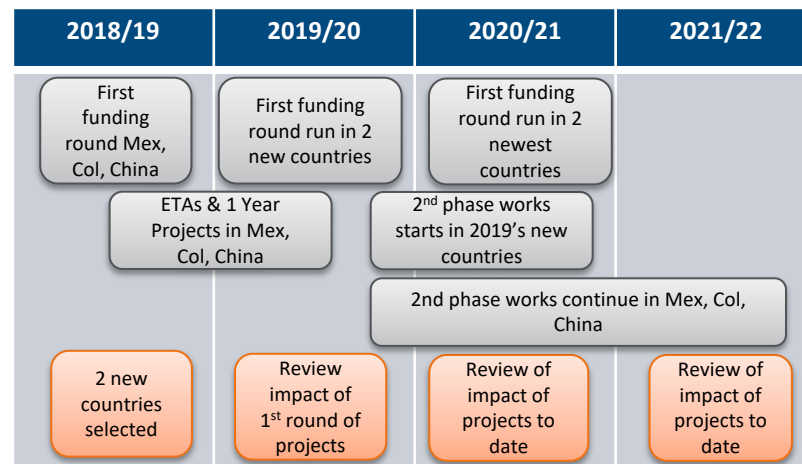
- Responsive funding



- Procurement of services



- Other options?





### 3) Conflict of Interest

#### Options:

A

- Lot 1 DP banned from running bilateral programmes

B

- Lot 1 DP banned from bidding for bilateral programmes but could deliver up to 15% of bilateral programme budget in each country

C

- Lot 1 DP allowed to bid for both challenge fund and up to 15% of bilateral programme budget in each country

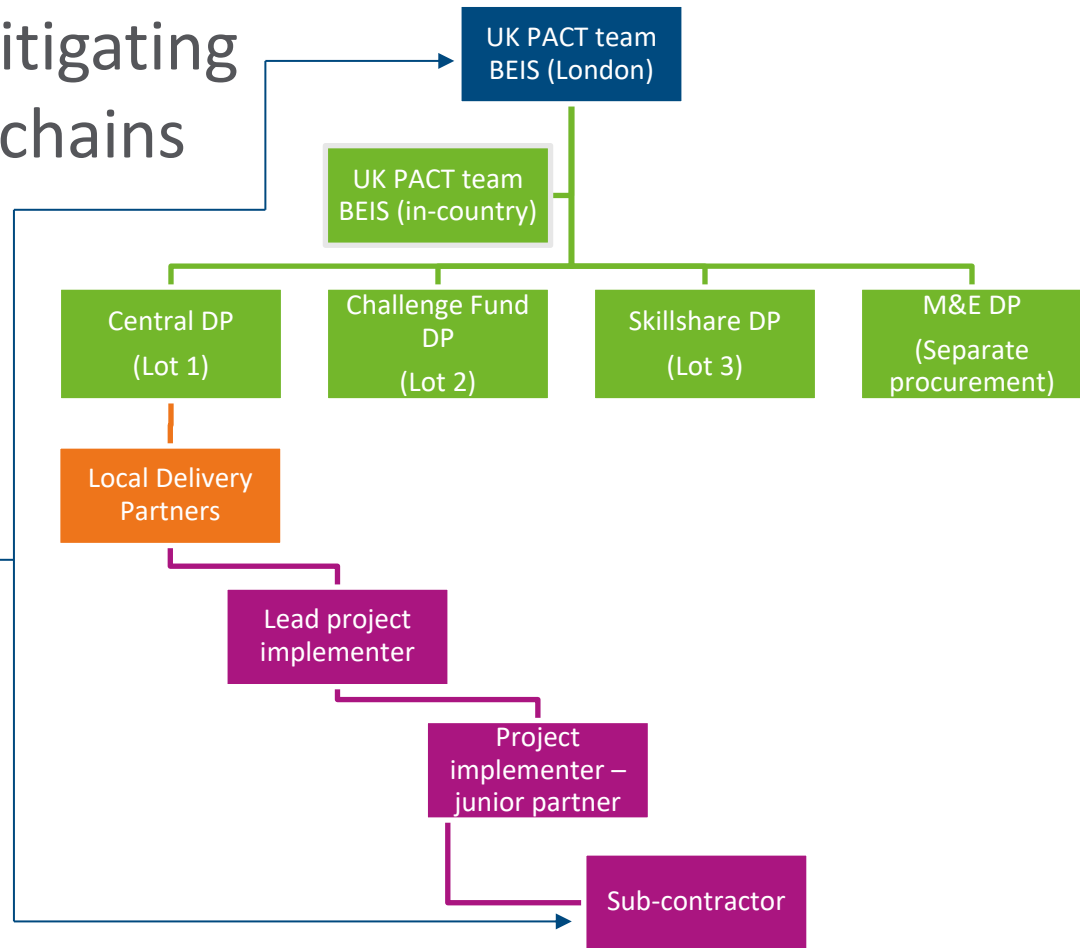


- What other ColS?

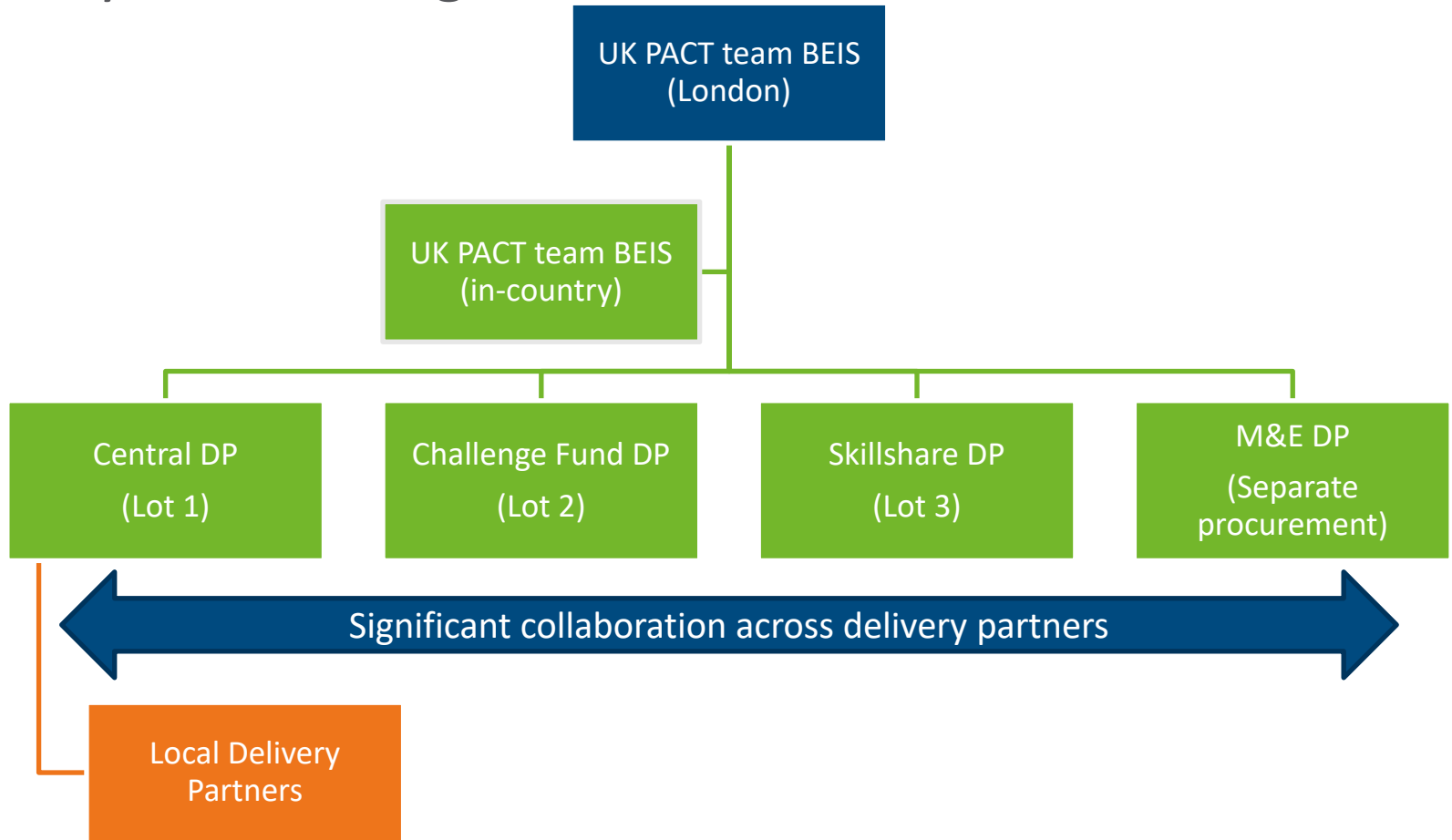
## 4) Ensuring VfM and mitigating risk from long delivery chains

Up to 5 levels between BEIS and the project implementer, this could:

- Drive up cost from overheads from a long list of organisations
- Lead to increased risk from fraud etc.
- Create too much distance for BEIS from actual project

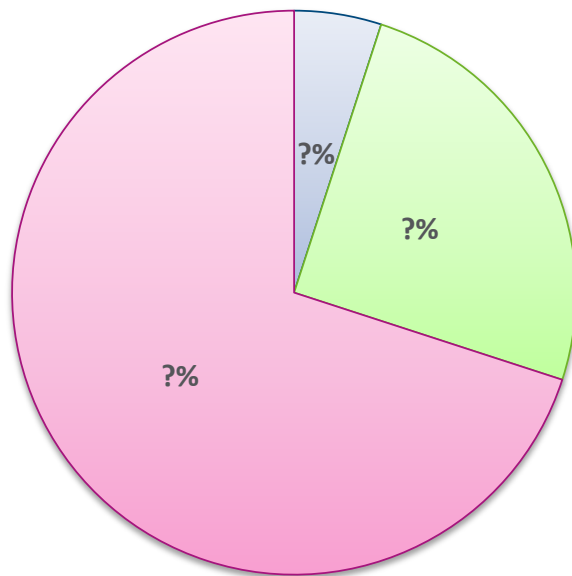


# 5) Ways of Working



## 6) Key Performance Indicators and Payment by Results

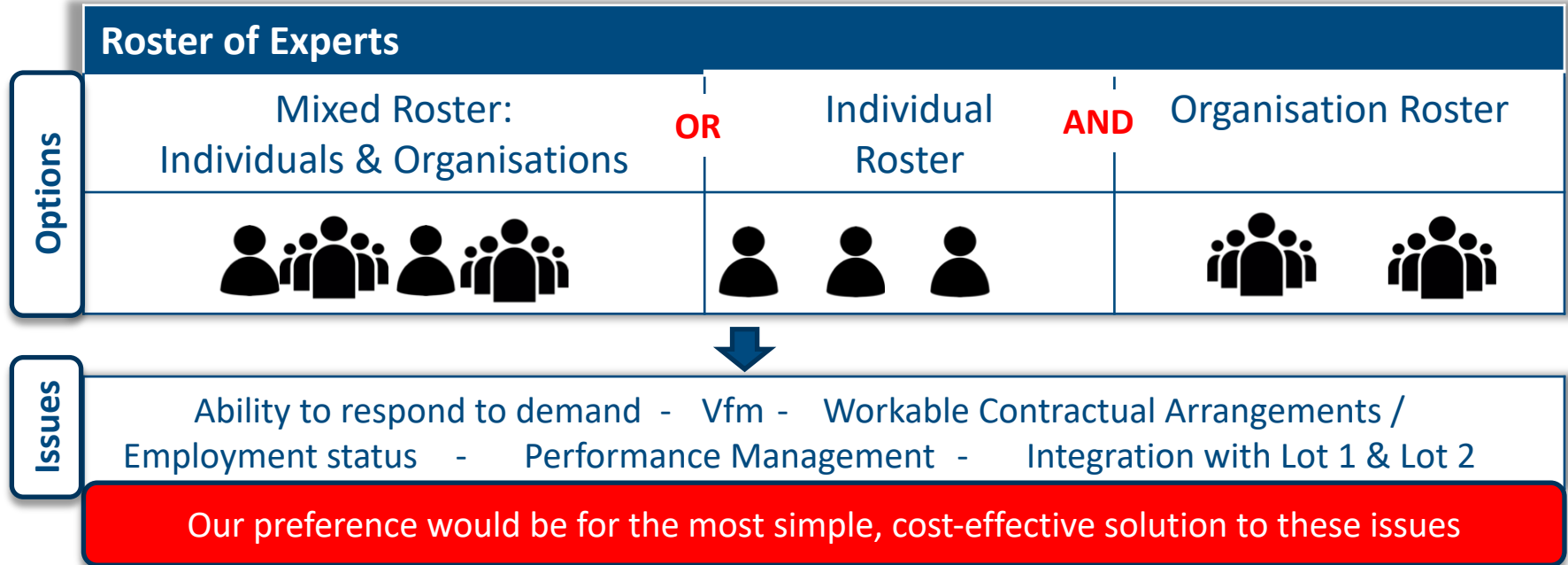
### Proposed Payment Structure



□ Outcome-based KPIs    □ Results-based payments    □ Programme costs

# 7) Skill-shares and Secondments

**Short-term skillshare** – different feedback on how to set up roster...



## Long-term secondments –

there were some questions around the split between civil service and delivery partner. We envisage most of the roles and processes used will be civil service, but will clarify this in the final ITT.

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# Table Discussions

**Topic 1:** *In-Country Presence*

**Topic 5:** *Ways of Working*

**Topic 2:** *Bilateral Programme Delivery Model*

**Topic 6:** *Key Performance Indicators & Payment By Results*

**Topic 3:** *Conflict of Interest*

**Topic 7:** *Skill-shares and secondments*

**Topic 4:** *Ensuring VfM and mitigating risk from long delivery chains*



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# Next steps and wrap-up

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