

MFAT Management Response to the International Climate Finance  
Strategy Evaluability Assessment

Evaluability Assessment Report Recommendation	MFAT Response and Action (Agree, Partially Agree, Reject)
<p><b>Recommendation 1: Delay planned evaluations by six months</b></p> <ul style="list-style-type: none"> <li>Overall, we [MartinJenkins] agree with the sequence and focus of monitoring and evaluation set out in the existing MERL workplan but recommend that delivery of the formative evaluation be delayed until December 2024 and delivery of the outcomes evaluation until June 2026.</li> <li>Delaying the formative evaluation by six months until December 2024 means that findings will still be available in time to inform process improvements (the ICFS will still have 12 months left to run), while also improving the quality of the formative evaluation.</li> <li>Delaying the outcomes evaluation by six months until June 2026 gives a more realistic timeframe for outputs and outcomes to be achieved and for an evidence base to be built.</li> </ul>	<p><b>Agree.</b> We agree that the evaluations be delayed. At a time closer to recommended kick off, MFAT will need to consider if the suggested timings are appropriate and feasible. We propose making a decision about the timing of the formative evaluation by July 2024, and making a decision on the timing of the outcomes evaluation before December 2025.</p>
<p><b>Recommendation 2: Consider a subsequent impact evaluation in 2027</b></p> <ul style="list-style-type: none"> <li>It is widely agreed that the ICFS impacts [the strategic long-term outcomes in the Theory of Change] are expected to take time to achieve and are unlikely to be fully realised in time for an outcomes evaluation, even if it is delayed until June 2026. It is also likely that some medium-term outcomes in the Theory of Change will still be becoming apparent, after June 2026.</li> <li>We recommend the outcomes evaluation assesses whether there would be value in conducting a subsequent impact evaluation. The decision should be made considering the political appetite for ongoing feedback, new programming objectives and availability of funding for additional evaluation, and the anticipated value-add from an additional year's worth of outcomes data.</li> </ul>	<p><b>Agree.</b> We acknowledge the value of an impact evaluation and agree that as part of the outcomes evaluation, we should assess the feasibility of conducting one in 2027. As noted, this decision will be based on the feasibility of conducting an evaluation at this time, the priorities for climate finance, plus the availability of funding.</p>

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<p><b>Recommendation 3: Conduct three case studies in 2025, one on each of the three critical enablers</b></p> <ul style="list-style-type: none"> <li>• The existing MERL workplan included annual case studies on a range of potential topics. We recommend that effort be focused on the three critical enablers identified in the Theory of Change: <ul style="list-style-type: none"> <li>– partner capacity and capability</li> <li>– partner-led delivery of activities, and</li> <li>– equitable and inclusive design and delivery of activities.</li> </ul> </li> <li>• The critical enablers have been identified as necessary for the achievement of the ICFS outcomes. In-depth case studies on each of the critical enablers in 2025 will ensure MFAT understands the strength and role of the critical enablers, in time to make any necessary improvements before the end of the ICFS.</li> <li>• Conducting the case studies in 2025 has the additional advantage of ensuring feedback and information continues to be collected and made available between the formative evaluation (June 2024) and the outcomes evaluation (June 2026).</li> <li>• If there is a need for early feedback on any of the critical enablers, data collection could begin in the second half of 2024 (following the formative evaluation), for reporting in early 2025.</li> </ul>	<p><b>Partially agree.</b> We agree with the idea of case studies, but think that we can kick these off sooner with the first one planned to begin in May 2024 (pending funding availability). All case studies will be scoped to ensure they are fit-for-purpose in scale and coverage. We propose the initial case study reviews the maturity of ICFS activity MERL frameworks, and whether or not they are designed and operationalised to deliver high quality Portfolio results information, including on the three critical enablers identified in the Theory of Change. This early focus on the quality of activity MERL frameworks, will help set us up for improved monitoring and evaluation information going forward.</p>

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<p><b>Recommendation 4: Clearly communicate the scope of portfolio-level evaluation and manage expectations carefully</b></p> <ul style="list-style-type: none"> <li>• Monitoring and evaluation of the ICFS needs to complement and not overlap other activities providing oversight of the ICFS. The MERL team needs to consistently and clearly communicate the purpose and scope of portfolio-level MERL, and how it differs to: <ul style="list-style-type: none"> <li>- MERL for individual ICFS investments, and</li> <li>- the Assurance Programme.</li> </ul> </li> <li>• Expectations about evaluation of outcomes need to be carefully managed. <ul style="list-style-type: none"> <li>- Stakeholders agree that outcomes will take time to achieve and that medium and long-term outcomes are unlikely to be evident before the ICFS end date.</li> <li>- By the time of the outcomes evaluation there should be a good, and growing, evidence base about emerging outcomes at both strategic short-term and medium-term levels (in the Theory of Change).</li> <li>- Strategic long-term outcomes and impact will be best assessed by an impact evaluation.</li> </ul> </li> </ul>	<p><b>Agree.</b> The MERL team will emphasise the scope of portfolio-level evaluation in our discussions with stakeholders going forward. We will keep in close contact with KPMG and the work they are doing in the assurance programme, to ensure we are both achieving our objectives without overlapping. The MERL team will also continue to advise activity managers to ensure activity evaluations will be useful for portfolio level MERL. In the MERL team’s regular updates to the CPSG and the wider climate portfolio team, we will continue to manage expectations about what can be achieved, by when.</p>

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<p><b>Recommendation 5: Prioritise key areas of inquiry to answer policy questions that are relevant at the time</b></p> <ul style="list-style-type: none"> <li>• It is not possible for every aspect of the ICFS to be rigorously and comprehensively evaluated, so the focus needs to be on understanding the value of the portfolio (rather than individual investments) and the effectiveness of key design features (such as the preferences and principles). Additional insight and richness will be added through case studies on the three critical enablers.</li> <li>• Detailed evaluation design needs to precede each stage of evaluation (formative, case studies, and outcomes), and the Climate Portfolio Steering Group (CPSG) will need to agree what the priority areas of interest or focus should be at the time.</li> <li>• The MFAT MERL team should provide advice to ensure evaluation questions and focus areas reflect the diverse preferences, principles, and outcomes of the ICFS.</li> </ul>	<p><b>Agree.</b> The MERL team will continue to work with the Climate Portfolio Team and the CPSG to ensure that the information we are gathering through our MERL work is relevant, useful and timely. As with all our evaluations, the evaluation questions and focus areas will be aligned with the Theory of Change, and therefore will capture the important features represented, such as the preferences, principles and outcomes.</p>

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<p><b>Recommendation 6: Develop new measures to enable the strengthened Theory of Change to be properly tested</b></p> <ul style="list-style-type: none"> <li>• Strengthening the Theory of Change has identified additional functions, outputs, critical enablers, and outcomes—new measures or feedback need to be captured to enable them to be monitored and evaluated.</li> <li>• The evaluability assessment recommends (Table 4 on page 34) specific areas needing new measures or feedback: <ul style="list-style-type: none"> <li>– <b>additional measures or indicators to track and regularly report to CPSG:</b> support for partners; investments that produce outputs of interest; partner capacity and capability; partner-led delivery; equitable and inclusive design and delivery; partner goals (and progress); equity of benefits; partner access to other finance and support.</li> <li>– <b>ongoing, systematic feedback to be collected to inform evaluation:</b> partner feedback on support; quality of governance; features of partner-led and inclusive design and delivery; partner feedback on value of ICFS delivery; feedback on critical enablers; partners’ evidence-bases; government relationships; embedding and sustainability of changes.</li> </ul> </li> <li>• Detailed evaluation design will need to continue to develop success criteria for these (and existing measures, especially qualitative ones) so that there is agreement about what ‘good’ looks like, to underpin evaluative judgements.</li> </ul>	<p><b>Partially Agree.</b> We agree that there is value in collecting the recommended new measures and feedback. However the MERL and Portfolio teams will need to assess capacity and resource available to undertake this work in the new triennium of funding. Additional measures will need to be prioritised within this resource. As part of our evaluation design, we will develop success criteria through rubrics so that there is agreement about what ‘good’ looks like.</p>