

Climate Change Budget Integration Index (CCBII) - United Nations Development Programme



Objective and features

1. Objective

CCBII aims to identify strengths and weaknesses in budgeting for climate change responses and design measures to address the gaps identified. UNDP's CCBII is intended to bring

- a systematic approach and more objective validation of the progress toward climate change integrated PFM systems in countries;
- a baseline, prioritization, and help with formulating a reform agenda for climate change integration;
- cross-country comparisons; and
- a platform for a cooperation framework with development partners.

2. Institutional coverage

National governments.

3. Technical coverage

The dimensions covered by the framework are budget management, policy and regulatory frameworks, and climate change.

4. Application method

Custodian.

Methodology



5. Methodology

CCBII produces a single score between 0 and 100, based on assessments across the four dimensions of national budget/PFM systems:

1. Policy dimension – the level of awareness on climate change policies, recognition, and commitment to integrate climate change with budgets.
2. System dimension – the capacity and current practices of PFM systems to absorb climate change considerations.
3. Accountability dimension – how much is the climate change agenda part of the overall PFM accountability system?
4. Development partners – how much of the development partners' finance integrated into national PFM systems?

6. Benchmarking system

Scoring system. There are three categories within dimensions 1, 2, and 3 and one category within 4. Each category has a maximum score of 10 points (for a high level of integration), adding up to 100.

7. Linkage to PEFA framework

The tool has linkages with the following PEFA performance indicators: aggregate expenditure outturn (PI-1), expenditure composition outturn (PI-2), revenue outturn (PI-3), budget classification (PI-4), budget documentation (PI-5), central government operations outside financial reports (PI-6), macroeconomic and fiscal forecasting (PI-14), fiscal strategy (PI-15), in-year budget reports (PI-28), annual financial reports (PI-29), external audit (PI-30), and legislative scrutiny of audit reports (PI-31).

8. Complementarity with PEFA framework

CCBII is a quick but robust tool to understand the linkages and integration of climate change in a country's budget.

Development and use



9. Development and coordination

CCBII was developed to overcome the problem of a fragmented evaluation and allow for cross-country comparisons to measure integration of climate change into the PFM system in the Asia-Pacific region.

The CCBII tool originated in 2015. While developing the CCBII, UNDP consulted with the ministries of finance for the two pilot countries (Nepal and Pakistan), GIZ, Green Climate Fund (GCF), UK-based IIEP, UN Framework Convention on Climate Change (UNFCCC), and UN Environment Programme (UNEP). There have been no formal revisions to the methodology or framework of the tool. However, in 2016, a CCBII+ tool was added as a broader version of the tool. It has the same methodology and framework but has been extended to cover human rights and gender considerations.

10. Assessment management

The assessment is performed internally in UNDP country offices. In addition to an internal quality assurance, the results from CCBII are shared and discussed with the national government to ensure the analysis is realistic.

11. Uses by the government and members of the PFM community

CCBII offers a tool for the Ministries of Finance and the UNDP to understand the linkages and integration of climate change in a country's budget. CCBII essentially entails a gap assessment that highlights the strengths and weaknesses in a country's systems and policies. This informs the government's actions on climate change issues and allows UNDP to structure its support for the country.

Comparison of individual categories could be used for cross-country comparisons. There is little practical use of the aggregate index in cross-country comparisons because the categories are equally weighted (10 points each). As a result, the actual level of climate change integration across the four dimensions may vary significantly, even if two countries have the same aggregate index score.

12. Sequencing with other tools

While not necessary, a CCBII assessment can be performed alongside a CPEIR (Do6). A CPEIR reviews how a country's national climate change policy aims are reflected in public expenditures and institutions.

13. PFM capacity building

CCBII allows UNDP to structure its support for the country.

14. Tracking of changes and frequency of assessments

Changes between assessments can be tracked by comparing the scores. There are no rules on frequency of the assessment, but it is recommended that assessments are performed every other year to allow countries to see their development.

15. Resource requirements

The assessment is performed internally in UNDP country offices and there are no additional costs other than the working days of the personnel undertaking the exercise. The average time required to perform a CCBII is around 7 to 10 working days and depends on the ease of scheduling and holding consultations with various government departments and other stakeholders.

Transparency



16. Access to methodology

The CCBII methodology paper is [available](#).

17. Access to assessment results

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