APPRAISAL

Guidance Note on Climate Change Due Diligence Appraisal For Project Development

Ministry of Planning Development & Special Initiatives
Government of Pakistan

List of Abbreviations

CARA	Climate Adaptation and Resilience Assessment
ccGAP	Pakistan's Climate Change Gender Action Plan
CDWP	Central Development Working Party
CHIRA	Climate and Hazard Initial Risk Assessment
CIME	Climate Indicators for Monitoring and Evaluation
CMA	Climate Mitigation Assessment
C-PIMA	Climate Public Investment Management Assessment
ECNEC	Executive Committee of the National Economic Council
GCISC	Global Change Impact Studies Centre
GHG	Greenhouse Gas
GoP	Government of Pakistan
IMF	International Monetary Fund
iPAS	Intelligent Project Automation System (of MoPDSI)
NC	National Communication
NDC	Nationally Determined Contribution
MOPDSI	Ministry of Planning, Development & Special Initiatives
MDP	Manual for Development Projects
NAP	National Adaptation Plan
NDRMF	National Disaster Risk Management Fund
NDMA	National Disaster Management Authority
PCN	Project Concept Note
PC-X	Planning Commission (PC) Forms – followed by number relevant to stage
PDWP	Provincial Development Working Party
PIPP	Public Investment Procedures and Parameters
PSDP	Public Sector Development Programme
RSF	Resilience and Sustainability Facility
tCO_2e	Tonnes of carbon dioxide equivalent
TFS	Technical Feasibility Study

1 Introduction

1.1 Overview

1. This Guidance Note is designed to assist project appraisers in the Ministry of Planning, Development, and Special Initiatives (MOPDSI) and others in systematically and consistently assessing the climate adaptation and mitigation credentials of projects, as well as the gender-responsiveness of climate action, following the submission of the PC-I proforma by project proponents.

2. This Guidance note serves as a practical supplement to the *2024 Manual for Development Projects (MDP)* and its annexed *Handbook on Climate Risk Screening for Policy Planning* ("the Handbook"). The Handbook's key terms are adopted in this Guidance Note, including mitigation, adaptation, resilience, and co-benefits.

3. This appraisal process is intended to account for 30% of a project proposal's overall score, with the 'Public Investment Parameters and Procedures' (PIPP) accounting for the remaining 70%.

4. This Guidance Note provides three core functions:

    i. Setting a consistent and transparent means of comparing projects' resilience, climate mitigation contributions, and other climate change benefits.

    ii. Defining a scoring mechanism to create a quantitative means of approving and/or prioritising projects.

    iii. Establishing a feedback process to critique project submissions and build capacity amongst project proponents for future projects as part of an overall course of continual improvement.

5. The ability to assess and score project proposals based on their climate change credentials and gender responsiveness can help ensure that federal ministries and provincial governments are incentivised to address climate and gender-related issues. This process will also improve the resilience and climate benefits of Pakistan's infrastructure, technology, and natural resources nationally and align with global best practice. [1]

[1] This climate-oriented appraisal is also essential for meeting the requirements of the IMF Resilience and Sustainability Facility (RSF), which supports Pakistan's efforts to build resilience to climate-triggered disasters and climate risks through more climate-responsive planning and investment processes. Specifically, under the RSF:

- By August 2026, the Public Sector Development Programme (PSDP) selection process will be updated so that climate change carries a weighting of at least 30% in project appraisal criteria; and

1.2 Climate Change Specific Feedback for Project Proponents

6. As climate change continues to play an increasingly prominent role in the Government of Pakistan's strategy and decision-making, it will be critical to build internal institutional capacity to continuously develop the relevant expertise. In addition to guidance for project development and associated training resources, a process to critique and provide feedback on project submissions offers greater specificity and targeted capacity building and provides an opportunity for continuous improvement among provincial and federal public servants. This guidance note, which provides the framework for reviewing and scoring project climate change credentials, also includes a mechanism for communicating candid, targeted feedback on project teams' climate-related due diligence submissions.

1.3 Who Should Use This Guidance

7. This document is intended for use by project appraisers within MOPDSI and/or other reviewers (e.g., PDWP, CDWP, and ECNEC) and should be used unilaterally for all PC-I submissions within the Government of Pakistan project pipelines.

1.4 How to Use This Document

8. This Guidance Note provides a structured, step-by-step approach to help project appraisers assess a project's climate change credentials, determine whether the project addresses climate-related risks and opportunities, is resilient to climate hazards and risks, and is gender-responsive. It is intended for professionals who are technically proficient in their respective sectors but may have limited expertise in climate risk assessment, climate policy alignment, or gender integration. This is a 'living document' and will be updated at regular intervals as new project evaluation criteria evolve.

9. This Guidance Note focuses on the PC-I submission stage, where projects are assessed and prioritised for approval and implementation. This guidance note addresses only the climate change aspects of a project and is intended to be part of a broader assessment process.

10. **Sections 2 and 3** set out the overall process for project appraisal. Once you have finished reading these sections, follow the **step-by-step instructions in Annex II** to conduct a project appraisal. Annex III provides populated examples of the appraisal template to support appraisers with context and guidance on its application.

– By August 2027, all new infrastructure projects must include assessments of climate vulnerability, adaptation, and mitigation as part of standard due diligence.

2 Step-by-Step Overview of Climate Change Due Diligence for Projects

11. The level of due diligence required to assess a project effectively against the relevant climate change criteria will depend upon several factors, including the type of project (infrastructure, services, research and development, etc.), scale, location, cost, development objectives, and contextual gender equality issues. To simplify this from the project proponent's perspective, climate mitigation and adaptation tracks have been developed to demonstrate the necessary steps to be taken. Figure 1 summarises the steps for the Project Concept Note (PCN) and Technical Feasibility Study (TFS) phases of project development. **Note that all projects should follow both mitigation and adaptation tracks to ensure compliance.**

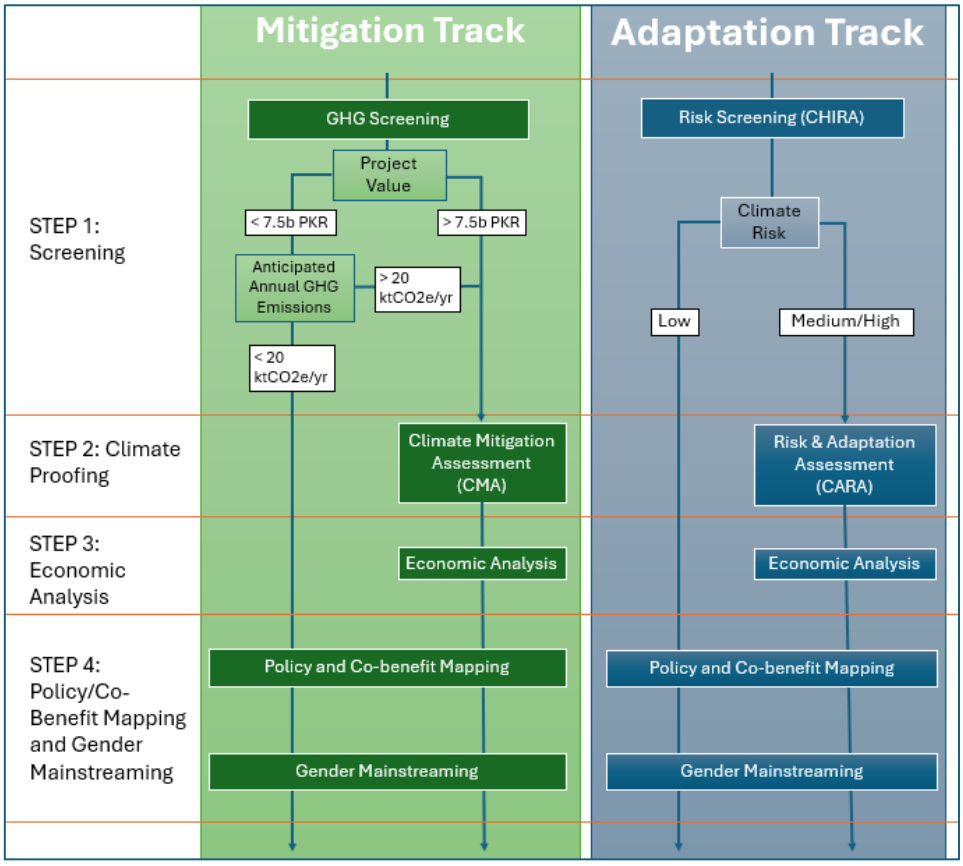

Figure 1 Decision tree of the pathways to assess a project against climate change criteria.

12. For **adaptation**, the threshold for more detailed due diligence is when the project is deemed medium or high risk based on the outputs of the Climate and Hazard Initial Risk Assessment (CHIRA). In that case, a Climate Adaptation and Resilience Assessment (CARA) is required.

13. For **mitigation**, the thresholds for the more detailed 'Climate Mitigation Assessment' (CMA) are: the project value exceeds 7.5 billion PKRs, **or** the project is anticipated to generate more than 20,000 tCO_2e/year in GHG emissions.

14. The high-level outputs required during these two phases are summarised in Table 1, below. The following sections provide more detail regarding the various steps for adaptation and mitigation.

Table 1 Summary of overarching adaptation and mitigation outputs generated during PCN and TFS phases

Phase	Mitigation Outputs	Adaptation Outputs
Project Concept Note	✓ Link project to relevant NDC policy actions ✓ Narrative and quantitative data, where possible, on how project minimises GHG emissions	✓ Link project to relevant NAP policy actions ✓ Narrative and quantification, where possible, on how project minimises climate change exposure/risk
Technical Feasibility Study	✓ For projects > 7.5m PKRs or anticipated > 20ktCO_2e/year carry out CMA	✓ Carry out CHIRA ✓ For projects with medium or high risk, carry out CARA

3 Appraisal Methodology and Template

15. The appraisal process for climate change due diligence of projects needs to be objective, comprehensive, and applicable across sectors/sub-sectors, and project types (e.g., policy-oriented versus infrastructure projects). The appraisal template provided in Table 2 below is intended to cover all these aspects across both tracks as detailed in Figure 1above, while also minimising the potential subjectivity of reviewers/evaluators. The template in Table 2 outlines the scoring framework and weightings for each appraisal criterion. (Note that Table 2 comes after Figure 2 below). Annex I provides further details and justification for the appraisal process. The following principles underpin the approach for the appraisal process:

    i. **Basis in Existing Requirements:** The assessment criteria are based on existing requirements as set out in the PC-II and PC-I proformas (and associated documentation).

    ii. **Mitigation of Bias and Subjectivity:** Restricted options for the 'Reviewer Response' for each criterion are designed to mitigate potential bias or subjectivity in the review process.

    iii. **Ensuring Transparency and Feedback:** 'Reviewer Justification' for each response is designed to ensure transparency and to be used as feedback for project proponents.

[2] Also provided in Excel format

iv. **Weighting by Importance:** Points available for each criterion are weighted to represent their relative importance/impact in terms of climate change benefits/drawbacks (see Annex III for details).

v. **Clarity and Consistency of Responses:** Interpretations of potential responses are provided for clarity and consistency.

vi. **Structure of the Scoring System:** The scoring system is structured so that projects with only limited or neutral climate relevance (e.g., a road rehabilitation project that does not increase exposure to flooding but also does not actively reduce risks) will fall in the middle of the scale, scoring around 50%. Projects that create negative climate impacts (e.g., a coal-fired power plant that increases greenhouse gas emissions, or a housing development located in a known floodplain without protective measures) will score at the lower end of the scale. By contrast, projects that deliver positive climate outcomes (e.g., a flood-protection embankment with integrated mangrove restoration that reduces exposure and sequesters carbon, or the replacement of diesel-powered irrigation pumps with solar-powered pumps that cut emissions and improve drought resilience) will receive higher scores.

16. The overall distribution of scores across the adaptation, mitigation, and gender mainstreaming aspects is 40%-40%-20%, as shown in Figure 2. The total evaluation score for climate change due diligence (represented as a percentage) should be combined with the evaluation score for non-climate-related aspects.

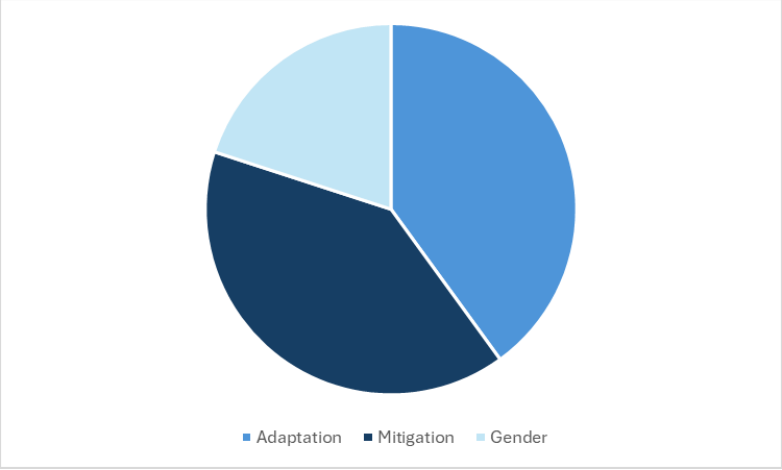

Figure 2 Breakdown of appraisal scoring for climate change due diligence.

Table 2 Climate Change Due Diligence Appraisal Template

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
A1	Climate Screening	Adaptation	CHIRA completion	Has the project completed a Climate Hazard and Initial Resilience Assessment (CHIRA) to identify risks and exposures?	Yes No			0	**Yes** - Proceed to next criteria **No** - Project ineligible (CHIRA is mandatory)
A2	Climate Screening	Adaptation	Availability of analysis and data on risks and hazards	Has a narrative and latest datasets on project hazards and vulnerabilities been provided?	Not addressed / major flaws Weak Adequate Strong Not applicable			2	**Strong (3)** - A detailed and comprehensive narrative describing all relevant hazards and risks associated with the project was provided, including relative risk levels by sector and hazard. **Adequate (2)** - A narrative describing all relevant hazards and risks associated with the project was provided, including relative risk levels by sector and hazard. **Weak (1)** - Hazards and risks are listed with no context/description or analysis. **Not addressed (0)**- No hazards or risks described. **Not applicable (2)** - Only a valid entry if there are no climate risks (i.e. -the CHIRA resulted in designation of 'Low' risk).
A3	Climate Proofing	Adaptation	CARA completion (if CHIRA risk for adaptation is medium or high)	Has the project undertaken a Climate Adaptation and Risk Assessment (CARA) to assess how to manage risk through adaptation measures?	Yes No Not applicable			0	**Yes/Not applicable -** Proceed to next criteria **No** - Project ineligible (CARA is mandatory for medium and high-risk projects)

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
A4	Climate Proofing	Adaptation	Adaptation actions	Has the project identified relevant adaptation climate measures based on the CARA analysis and location-specific risks? Has the project provided evidence on how the actions reduce risks from hazards and vulnerabilities?	Not addressed / major flaws Weak Adequate Strong Not applicable			3	**Strong (3)** - Multiple, valid adaptation action were identified AND justification was included (i.e. describing specifically how the adaptation action(s) contribute towards reduced vulnerability) along with a narrative on how the actions reduce risk specific to sector and hazard. **Adequate (2)** - At least one valid adaptation action was identified AND a justification was included (i.e. describing specifically how the adaptation action(s) contribute towards reduced vulnerability) along with a narrative on how the actions reduce risk specific to sector and hazard. **Weak (1)** - At least one valid adaptation action was identified, but without sufficient justification. **Not addressed (0)** - No adaptation actions provided. **Not applicable (2)** - Only a valid entry if there are no climate risks (i.e. the CHIRA resulted in designation of 'Low' risk).
A5	Climate Proofing	Adaptation	Added value	What is the risk level of the project with adaptation measures?	Low Medium High			3	**Low (3)** **Medium (1)** **High (Ineligible)** - If project risk remains high after application of adaptation measures, project teams should readdress resilience issues. **Not applicable (2)** - Only a valid entry if no adaptation actions are necessary (i.e. the CHIRA resulted in designation of 'Low' risk).

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
A6	Climate Proofing	Adaptation	Residual risks	Have residual risks (after adaptation and gender-responsive climate actions are included) been identified and quantified?	Not addressed / major flaws Weak Adequate Strong Not applicable			2	**Strong (3)** - A comprehensive and detailed narrative describing any residual risks associated with the project (after adaptation actions were considered) was provided, including relative risk levels by sector and hazard. **Adequate (2)** - A narrative describing any residual risks associated with the project (after adaptation actions were considered) was provided, including relative risk levels by sector and hazard. **Weak (1)** - A limited description/summary is provided. **Not addressed (0)** - No narrative was provided. **Not applicable (2)** - Only a valid entry if no adaptation actions are necessary (i.e. the CHIRA resulted in designation of 'Low' risk).
A7	Policy/Co-benefit Mapping and Gender Mainstreaming	Adaptation	Alignment with national climate strategies	How many valid NAP policy actions does the project address?	# of policy objectives			2	**10+ (3)** **4-10 (2)** **1-3 (1)** **0 (0)** All valid contributions to policy objectives to be counted should be justified.
A8	Policy/Co-benefit Mapping and Gender Mainstreaming	Adaptation	Alignment with national climate strategies	How many valid local/regional/national level or sector-specific climate policy actions does the project address?	# of policy objectives			1	**10+ (3)** **4-10 (2)** **1-3 (1)** **0 (0)** All valid contributions to policy objectives to be counted should be justified.

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
A9	Policy/Co-benefit Mapping and Gender Mainstreaming	Adaptation	Innovation, scalability, and replicability	Are any solutions or technologies proposed by the project considered pioneering in the Pakistan context and could they be replicated or scaled?	Not addressed / major flaws Weak Adequate Strong Not applicable			1	**Strong (3)** - A comprehensive and detailed narrative on how the solution/technology is pioneering and opportunities for replication in similar projects in Pakistan was provided. **Adequate (2)** - A narrative on how the solution/technology is pioneering and opportunities for replication in similar projects in Pakistan was provided. **Weak (1)** - A limited narrative on how the solution/technology is pioneering and opportunities for replication in similar projects in Pakistan was provided. **No (0)** - No description/summary was provided. **Not applicable (2)** - Only a valid entry if there are low climate risks (i.e. the CHIRA resulted in designation of 'Low' risk).
A10	Economic Analysis	Adaptation	Financial/Economic Analysis	Economic analysis of potential avoided losses and cost/benefit of adaptation measures was undertaken and the results included in the overall economic analysis of the project (in the PC-I template).	Not addressed / major flaws Weak Adequate Strong Not applicable			2	**Strong (3)** - A detailed and comprehensive economic analysis including avoided losses and other economic benefits of adaptation investments was provided. **Adequate (2)** - An economic analysis including avoided losses and other economic benefits of adaptation investments was provided. **Weak (1)** - A limited and qualitative avoided losses and other economic benefits of adaptation investments was provided. **Not addressed (0)** - No narrative provided. **Not applicable (2)** - Only a valid entry if

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
									there are no climate risks (i.e. the CHIRA resulted in designation of 'Low' risk).
A11	Economic Analysis	Adaptation	Climate Finance Allocation	Estimated cost of adaptation-specific components included and justified with climate finance allocation as a percentage of total project costs	% of total project value			2	**66%+ (3)** **33-66% (2)** **1-33% (1)** **0% (0)** Values should be justified.
A12	Policy/Co-benefit Mapping and Gender Mainstreaming	Adaptation	Co-benefits / SDGs related to adaptation	Co-benefits / SDGs are tangibly/quantifiably impactful on a social, economic or environmental basis	Not addressed / major flaws Weak Adequate Strong Not applicable			1	**Strong (3)** - The specific impacts of co-benefits were quantified and/or discussed in detail and were significant in impact (either in number of people positively impacted or in the scale of the impact). **Adequate (2)** - The impacts of co-benefits were quantified and/or discussed in detail and were adequate in impact (either in number of people positively impacted or in the scale of the impact). **Weak (1)** - Co-benefits were provided without justification. **Not addressed (0)** - No narrative provided. **Not applicable (2)** - Only a valid entry if there were no climate risks (i.e. the CHIRA resulted in designation of 'Low' risk).
A13	Policy/Co-benefit Mapping and Gender Mainstreaming	Adaptation	M&E Framework and Indicators	To what extent do the logframe and M&E framework include adaptation outcomes, related outputs linked by a causal pathway,	Not addressed / major flaws Weak Adequate Strong Not applicable			1	**Strong (3)** – Outcomes, outputs and fully SMART indicators specifically related to climate adaptation were comprehensively articulated and consistently reflected across the project description and logframe, systematically covering all

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
				as well as SMART climate adaptation indicators with a plan for data collection, reporting, and capacity strengthening for the M&E system?					identified climate risks, vulnerabilities and corresponding adaptation actions. Indicators include defined baselines and targets, responsibilities were assigned, and a robust and resourced plan is in place to collect data, monitor progress, and report on adaptation results throughout implementation. **Adequate (2)** – Outcomes, outputs and SMART indicators specifically related to climate adaptation were provided in the description and logframe and cover the key climate risks, vulnerabilities and adaptation actions. Indicators include defined baselines and targets, responsibilities were assigned, and a plan is in place to collect data, monitor progress, and report on adaptation results throughout implementation. **Weak (1)** – Some outcomes, outputs and indicators related to climate adaptation were identified, but they do not systematically cover the main climate risks, vulnerabilities or adaptation actions, were not SMART, and/or there was insufficient or unclear planning for data collection, monitoring and reporting. **Not addressed (0)** – Outcomes, outputs and SMART indicators not provided. **Not applicable (2)** – Only a valid entry if there are no climate risks (i.e. the CHIRA resulted in designation of “Low” risk).

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
M1	Climate Proofing	Mitigation	CMA completion	Has the CMA been completed (if GHG emissions anticipated to be >20,000tCO2e/year)	Yes No Not applicable			0	**Yes/Not applicable -** Proceed to next criteria **No** - Project ineligible (CMA is mandatory for projects > 20,000 tCO2e/yr)
M2	Climate Proofing	Mitigation	Availability of analysis and data on GHG emissions	Has a narrative and quantification on project GHG emissions been provided?	Not addressed / major flaws Weak Adequate Strong Not applicable			2	**Strong (3)** - A detailed narrative describing all the relevant GHG emissions associated with the project was provided, by source. **Adequate (2)** - A brief narrative describing GHG emissions associated with the project with limited breakdown oh GHG sources. **Weak (1)** - A limited description/summary was provided with limited/no breakdown of GHG sources. **Not addressed (0)** - No narrative was provided. **Not applicable (2)** - Only a valid entry if there are no direct or indirect GHG emissions associated with the project.
M3	Climate Proofing	Mitigation	Mitigation measures	Has the project identified relevant climate mitigation measures based on the CMA analysis? Has the project provided evidence on how the measures reduce GHG emissions?	Not addressed / major flaws Weak Adequate Strong Not applicable			3	**Strong (3)** - A detailed description of each measure, its GHG reduction potential, co-benefits, cost/benefit etc. was provided. **Adequate (2)** - A detailed description of each measure and its GHG reduction potential. **Weak (1)** - A limited description, list of measures. **Not addressed (0)** - No description was provided. **Not applicable (2)** - Only a valid entry if there are no direct or indirect GHG emissions associated with the project.

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
M4	Climate Proofing	Mitigation	GHG emissions	What is the net change in GHG emissions?	% increase/reduction			3	**66%+ (3)** **33-66% (2)** **1-33% (1)** **0% (0)** Values should be justified (based on outputs of CMA).
M5	Climate Proofing	Mitigation	Residual GHG emissions	Have residual GHG emissions (after mitigation and gender-responsive climate actions are included) been identified and quantified?	Not addressed / major flaws Weak Adequate Strong Not applicable			2	**Strong (3)** - A detailed narrative describing residual GHG emissions and the reasons that further reductions aren't viable. **Adequate (2)** - A brief description of residual GHG emissions with generic description. **Weak (1)** - Stating residual GHG emissions only. **Not addressed (0)** - No narrative was provided. **Not applicable (2)** - Only a valid entry if there are no direct or indirect GHG emissions associated with the project.
M6	Policy/Co-benefit Mapping and Gender Mainstreaming	Mitigation	Alignment with national climate strategies	How many valid NDC policy actions does the project address?	# of policy objectives			2	**10+ (3)** **4-10 (2)** **1-3 (1)** **0 (0)** All valid contributions to policy objectives to be counted should be justified.
M7	Policy/Co-benefit Mapping and Gender Mainstreaming	Mitigation	Alignment with national climate strategies	How many valid local/regional/national level or sector-specific climate policy actions does the project address?	# of policy objectives			1	**10+ (3)** **4-10 (2)** **1-3 (1)** **0 (0)** All valid contributions to policy objectives to be counted should be justified.

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
M8	Policy/Co-benefit Mapping and Gender Mainstreaming	Mitigation	Innovation, scalability, and replicability	Are any solutions or technologies proposed by the project considered pioneering in the Pakistan context and could they be replicated or scaled?	Not addressed / major flaws Weak Adequate Strong Not applicable			1	**Strong (3)** - A narrative on how the solution/technology is pioneering and opportunities for replication in similar projects in Pakistan. Justification of how the technology is innovative and opportunities for replication was provided. **Adequate (2)** - A brief narrative on how the solution/technology is pioneering. Justification of how the technology is innovative was provided. **Weak (1)** - A limited description/summary was provided or limited justification was provided. **Not addressed (0)** - No narrative provided. **Not applicable (2)** - Only a valid entry if there are no significant GHG emissions (i.e. the CMA was not required).
M9	Economic Analysis	Mitigation	Financial/Economic Analysis	Economic analysis of the shadow cost of carbon and cost/benefit of mitigation measures has been undertaken and the results included in the overall economic analysis of the project (in the PC-I template).	Not addressed / major flaws Weak Adequate Strong Not applicable			2	**Strong (3)** - Economic analysis including the shadow cost of carbon and other economic benefits of mitigation investments was provided. **Adequate (2)** - Economic analysis including the shadow cost of carbon was provided. **Weak (1)** - A limited description/summary was provided. **Not addressed (0)** - No narrative provided. **Not applicable (2)** - Only a valid entry if GHG emissions are anticipated to be less than 20,000 tCO2e/year

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
M10	Economic Analysis	Mitigation	Climate finance allocation	Estimated cost of mitigation-specific components included and justified with climate finance allocation as a percentage of total project costs	% of total project value			2	**66%+ (3)** **33-66% (2)** **1-33% (1)** **0% (0)** Values should be justified.
M11	Policy/Co-benefit Mapping and Gender Mainstreaming	Mitigation	Co-benefits / SDGs related to adaptation	Co-benefits / SDGs are tangibly/quantifiably impactful on a social, economic or environmental basis	Not addressed / major flaws Weak Adequate Strong Not applicable			1	**Strong (3)** - The specific impacts of co-benefits was quantified and/or discussed in detail and were significant in impact (either in number of people positively impacted or in the scale of the impact). **Adequate (2)** - The specific impacts of co-benefits were quantified and/or discussed and justified. **Weak (1)** - Co-benefits were provided without justification. **Not addressed (0)** - No narrative provided. **Not applicable (2)** - Only a valid entry if there were no significant GHG emissions (i.e. the CMA was not required).

M12	Policy/Co-benefit Mapping and Gender Mainstreaming	Mitigation	M&E Framework and Indicators	To what extent does the logframe and M&E framework include mitigation outcomes, related outputs linked by a causal pathway, as well as SMART climate mitigation indicators with a plan for data collection, reporting, and capacity strengthening for the M&E system?	Not addressed / major flaws Weak Adequate Strong Not applicable			1	**Strong (3)** – Outcomes, outputs and fully SMART indicators specifically related to mitigation were comprehensively articulated and consistently reflected across the project description and logframe, systematically covering all identified sources or reductions of GHG emissions. Indicators include defined baselines and targets, responsibilities are assigned, and a robust and resourced plan is in place to collect data, monitor progress, and report on mitigation results throughout implementation. **Adequate (2)** – Outcomes, outputs and SMART indicators specifically related to mitigation were provided in the description and logframe and cover the key climate risks, vulnerabilities and mitigation measures. Indicators included defined baselines and targets, responsibilities were assigned, and a plan was in place to collect data, monitor progress, and report on mitigation results throughout implementation. **Weak (1)** – Some outcomes, outputs and indicators related to climate mitigation were identified, but they do not systematically cover the main climate risks, vulnerabilities or mitigation actions, were not SMART, and/or there was insufficient or unclear planning for data collection, monitoring and reporting. **Not addressed (0)** – Outcomes, outputs and SMART indicators not provided. **Not applicable (2)** – Only a valid entry if

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
									there are no significant GHG emissions (i.e. < 20,000 tCO2e/year).
G1	Policy/Co-benefit Mapping and Gender Mainstreaming	Gender	Gender Analysis quality	To what extent has the project conducted a gender analysis to identify gender risks, gaps, gender norms, unintended consequences (e.g., gender-based violence) and structural issues that may hinder gender-responsive climate action?	Not addressed / major flaws Weak Adequate Strong			2	**Strong (3)** - The project-specific gender analysis comprehensively identified gender gaps (i.e., differences in number of men and women, boys and girls to social and economic resources, and political participation) and structural issues (e.g., laws, policies, social or cultural norms) that may impede gender-responsive climate action and outcomes from implementation. The analysis was also contextualised to the project sector. In addition, the analysis identified multiple opportunities to promote gender equality in climate action, and multiple potential unintended consequences (e.g., possible increase in gender-based violence) or risks to gender equality from climate action. **Adequate (2)**: The project-specific gender analysis identified key gender gaps and structural issues that may impede gender-responsive climate action and outcomes from implementation. The analysis also identified at least one opportunity to promote gender equality and at least one potential unintended consequence (e.g., possible increase in gender-based violence) or risks to gender equality from climate action.

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
									Weak (1) - Gender analysis was conducted but does not identify any or only a limited number of gender gaps and issues without contextual analysis. The analysis did not outline any opportunities for promoting gender equality or any unintended consequences related to gender from climate action. **Not addressed (0)** - No gender analysis was undertaken.
G2	Policy/Co-benefit Mapping and Gender Mainstreaming	Gender	Availability of analysis and data on gender gaps	Have gender-disaggregated data and a narrative on gender gaps and how gender inequalities may affect climate outcomes been provided? (See the National Gender Data Portal for additional data: https://ngdp-ncsw.org.pk/)	Not addressed / major flaws Weak Adequate Strong			1	**Strong (3) -** Gender-disaggregated data and a narrative describing all relevant gender-related issues and risks associated with the project (as identified in the gender analysis) have been provided, including risks at the household, community, provincial, and sector levels. **Adequate (2) -** Gender-disaggregated data and a narrative describing all relevant hazards and risks associated with the project have been provided. **Weak (1) -** Gender issues are listed with no gender data relevance, context, description or analysis. **Not addressed (0) -** No gender data, gaps or issues described.
G3	Policy/Co-benefit Mapping and Gender Mainstreaming	Gender	Gender-responsive actions	Has the project identified relevant gender-responsive climate measures based on the gender analysis and location-specific risks? Has the	Not addressed / major flaws Weak Adequate Strong			3	**Strong (3)** - Multiple valid gender-responsive climate actions were identified AND justification was included (i.e. describing specifically how the gender action(s) contribute towards reduced vulnerability) along with a narrative on how the actions addressed relevant

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
				project provided analysis on how the actions reduce gender inequality, gender-specific harms and/or vulnerabilities?					gender inequality issues. **Adequate (2)** - At least one valid gender-responsive action was identified AND a justification was included (i.e. describing specifically how the action(s) contributed towards reduced vulnerability) along with a narrative on how the actions addressed relevant gender inequality issues. **Weak (1)** - At least one valid gender-responsive action was identified, without sufficient justification. **Not addressed (0)** - No gender-responsive actions included.
G4	Policy/Co-benefit Mapping and Gender Mainstreaming	Gender	Alignment with national climate strategies, gender policies, and national gender treaty obligations	How many valid gender laws/policies, national treaty obligations, or ccGAP policy actions does the project address?	# of policy objectives			2	**10+ (3)** **4-10 (2)** **1-3 (1)** **0 (0)** All valid contributions to policy objectives to be counted should be justified.
G5	Policy/Co-benefit Mapping and Gender Mainstreaming	Gender	Stakeholder engagement	To what extent are women, men, and gender-diverse project stakeholders engaged throughout project design, implementation, monitoring and evaluation? To what extent do women have a decision-making role in project design, implementation,	Not addressed / major flaws Weak Adequate Strong			1	**Strong (3)** - Approximately 50% of project stakeholders consulted were women or gender diverse stakeholders, and were meaningfully engaged in project design, implementation, monitoring and evaluation, with multiple women having a decision-making role in the project. **Adequate (2)** - At least 30% of project stakeholders consulted were women or gender diverse stakeholders, and were meaningfully engaged in project design, implementation, monitoring and evaluation. At least one woman has a decision-making role.

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
				monitoring and evaluation?					**Weak (1)** - Less than 20% of project stakeholders consulted were women or gender diverse stakeholders, but were not meaningfully engaged in project design, implementation, monitoring and evaluation, and no women have a decision-making role. **Not addressed (0)** - Less than 10% of project stakeholders consulted were women or gender diverse stakeholders. No women were meaningfully engaged in project development or implementation, and no women have a decision-making role.
G6	Policy/Co-benefit Mapping and Gender Mainstreaming	Gender	Gender mainstreaming	To what extent has the project reviewed to the Gender Unit's Gender, Climate and Children's Rights and Inclusion-Centred Programming Checklist, and the ccGAP's list of priority actions AND taken steps to support gender responsive climate action?	Not addressed / major flaws Weak Adequate Strong			1	**Strong (3)** - The project reviewed all questions on the Gender Unit's checklist and the ccGAP's list of priority actions to assess relevance to the project and outlined gender-responsive climate actions addressing all gender issues identified by the project. **Adequate (2)** - The project reviewed most of the questions on the Gender Unit's checklist and the ccGAP's list of priority actions to assess relevance to the project and outlined a few gender-responsive climate actions addressing some of the gender issues identified by the project. **Weak (1)** - The project reviewed limited portions of the Gender Unit's checklist and the ccGAP's list of priority actions to assess relevance to the project and has not outlined gender-responsive climate

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
									actions. **Not addressed (0)** - The project has not reviewed any of the questions on the Gender Unit's checklist or the ccGAP's list of priority actions to assess relevance to the project and not outlined any gender-responsive climate actions.
G7	Policy/Co-benefit Mapping and Gender Mainstreaming	Gender	M&E Framework and Indicators	Does the logframe and M&E framework include gender-responsive outcomes, related outputs linked by a causal pathway, as well as SMART gender-specific indicators, with a plan for data collection, reporting, and capacity strengthening for the M&E system? Do all indicators concerning people call for gender-disaggregated data?	Not addressed / major flaws Weak Adequate Strong			1	**Strong (3) -** Multiple gender-responsive outcomes and outputs were identified and SMART indicators related to these were provided in the logframe and M&E framework, covering all gender barriers identified in the gender analysis and following a causal pathway for effective implementation. SMART indicators related to gender-responsive climate action were provided in the description and logframe, covering specific gender risks, and vulnerabilities and actions. All people-focused indicators require gender-disaggregated data (e.g., malnutrition rates for girls and boys, women and men, in flood and drought-prone areas), and

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
									there was a plan in place to collect data, monitor and report. **Adequate (2)** - At least one gender-responsive outcome and output was identified in the logframe and M&E framework, and they follow a causal pathway for effective implementation. At least one SMART indicator related to gender-responsive climate action was provided in the description and logframe, covering some specific gender risks, vulnerabilities and actions. Most people-focused indicators require gender-disaggregated data and there is a plan is in place to collect data, monitor and report. **Weak (1)** - Some gender outcomes and outputs were identified but do not follow a causal pathway to support effective implementation. Some gender-related indicators identified, but not exhaustive or SMART or there was insufficient planning for monitoring. **Not addressed (0)** - Gender outcomes and outputs were not identified and SMART indicators not provided.
G8	Policy/Co-benefit Mapping and Gender Mainstreaming	Gender	Budget for gender-responsive climate action	Does the project include a budget allocation for supporting gender-responsive climate action (i.e., supporting activities that respond to gender gaps and	Yes No			1	N/A

#	Step	A / M /G	Criteria	Appraisal Questions	Response Options	Reviewer Response	Reviewer Justification	Weighting	Interpretation
				inequalities in climate action) with justification?					

Annex I: Core Appraisal Principles

Projects should be assessed against the principles of transparency, consistency, comparability, completeness, and accuracy to ensure a fair, objective, and justified approach to project ranking, aligned with international best practice.

- **Principle 1 - Transparency:** Providing the appraisal scoring and justifications back to project proponents.
- **Principle 2 - Consistency:** Projects are assessed in a highly consistent way, using structured evaluation criteria, appraisal options, and related scoring structures.
- **Principle 3 - Comparability:** Based on the consistent approach to assessment, projects' appraisals will be directly comparable.
- **Principle 4 - Completeness:** Project submissions should be assessed for the completeness of the due diligence undertaken, i.e., have all climate-related criteria in the PC-II and PC-I proformas been responded to? See below for completeness criteria to assess this aspect.
- **Principle 5 - Accuracy:** Projects should be assessed for the validity of responses to climate-related criteria, i.e., project proponents need to justify all responses to clearly communicate the (i) climate-related issue and (ii) its relationship to the project.

The process for assessing projects mirrors the four climate project development steps outlined in the Guidance Note on Climate Change Due Diligence for Project Development, with associated criteria to assess whether climate has been adequately considered by the project. The four main steps are:

1. **Climate Screening:** Projects are assessed for potential climate risk, including exposure to climate hazards and the potential for significant GHG emissions. Depending on the resulting risk level, the project moves forward to the more detailed project proofing process.
2. **Climate Proofing:** If projects are found to have significant climate risk or GHG emissions, then they are assessed on the extent to which they can mitigate these risks/emissions based on the climate-related due diligence criteria set out in the PCN and TFS.
3. **Economic Analysis:** Climate-related aspects of projects (e.g., avoided losses and the shadow cost of carbon) are reviewed for economic viability and to determine associated climate budget allocations.

4. **Policy/Co-Benefit Mapping and Gender Mainstreaming**: Finally, projects are appraised on the extent to which they align with national/regional climate change policies, the potential co-benefits of climate measures, and the gender responsiveness of planned climate actions.

Appraisal criteria for each of these steps enable an assessment of the extent to which a project has met the due diligence requirements set out in the 'Manual for Development Project.' Project responses are assessed on a spectrum from strong (well-justified) to adequate (meets minimum standards) to weak (significant gaps) to having not addressed the climate criteria at all.

The reviewer responses are limited to multiple-choice options for each criterion to improve the consistency and comparability of the appraisal process. Table 3 below provides an overview of the reviewer responses for each criterion along with the interpretation and implications for scoring each criterion. Points are available for each of the appraisal criteria contained within each of these steps and a weighting is applied (see Annex III) to determine scores for each criterion, depending on their relative impact or importance within the appraisal framework.

Table 3 Summary of project evaluation with responses, interpretations, and scoring implications

Score	Interpretation
0	Not addressed / major flaws
1	Weak – significant gaps
2	Adequate – meets minimum requirements
3	Strong – well-justified

Annex II: Step-by-Step Evaluation Guide

Preparation

Reviewers should first read the PCN, TFS, PC-II, and PC-I proformas to understand the various components of the project and build an understanding of its overall objectives and outcomes, and consider how the project may impact, or be impacted by, climate change. Sector-specific climate change issues/opportunities should be identified (refer to Annex I of the guidance for a checklist of sector-specific climate adaptation and mitigation options). The following prompting questions can help guide this review:

- ✓ Is new infrastructure included in the project? Could it be at risk from climate hazards? Will it generate GHG emissions (directly or indirectly, during construction, operation or during its operational life)?
- ✓ Is there existing infrastructure? How will the project affect the potential risk from climate hazards? How might it affect GHG emissions?
- ✓ Are there technological components to the project? Are they best-practice/innovative and addressing climate change?
- ✓ Are there ways the project could reduce climate risks or GHG emissions? Have all relevant adaptation/mitigation measures been considered?

Once the reviewer has a clear understanding of the project activities and outcomes and has formed an impression of potential climate change linkages, they can proceed with the evaluation.

Appraisal

Reviewers should populate the appraisal template based on the climate-related responses in the PCN, TFS, PC-II and PC-I proformas. Multiple-choice options are provided for each criterion with an equivalent score as discussed in Section 3 above. A breakdown of the scores available for each criterion is provided in Annex III.

In addition to selecting a response for each criterion, reviewers should justify their selections in the provided boxes. Justifying the outcome of the appraisal for each criterion is critical not only to ensure transparency but also to provide valuable feedback and support continuous improvement/capacity development for future project proposals. Justification should be specific and comprehensive, clearly explain the rationale for the selected response, and highlight areas for improvement (regardless of the response).

Validation

Once the evaluation template is fully populated and a score has been assigned, it is recommended that the evaluation be reviewed to verify all details and reach consensus on the outcomes.

Feedback

Information reported in the ‘Justification’ column of the template should be provided to the project team as feedback. This detail will help project proponents understand the rationale for the review score and demonstrate where future project submissions can be strengthened from a climate change perspective.

Annex III: Examples of Justification for Evaluation Scoring

Criterion	Appraisal Question	Input from PCN/TFS/PC-II/PC-I	Evaluator Response	Justification
A2	Has a narrative and latest datasets on project hazards and vulnerabilities been provided?	The CHIRA assessment identified flood risk as high for the proposed irrigation infrastructure in Lower Sindh. Climate projections indicate a 35% increase in extreme precipitation events by 2050 under RCP 8.5 scenarios. Historical data shows the project area experienced major flooding in 2010, 2011, and 2022, with flood depths reaching 2-3 meters. The project site is located in a floodplain with poor drainage, making it particularly vulnerable to flooding from both rivers and direct extreme rainfall. Secondary hazards include waterborne diseases and crop losses. CHIRA scoring: Flood (High), Drought (Medium), Extreme Heat (Low).	**Strong (3)**	A detailed and comprehensive narrative describing all relevant climate hazards was provided, including detailed historic flood risk analysis, climate projections, and sector-specific vulnerability assessment. The CHIRA assessment quantified risk levels by hazard type and provided spatial context for the infrastructure. Secondary climate impacts were also identified.
A4	Has the project identified relevant adaptation climate measures based on the CARA analysis and location-specific risks? Has the project provided evidence on how the actions reduce risks from hazards and vulnerabilities?	Based on the CARA, adaptation measures have been integrated into the project proposal: i. Elevated infrastructure design: All pump stations and control buildings will be elevated 1.5m above the 1-in-100 year flood level plus 0.5m climate change allowance given climate change projections, reducing flood damage risk by 85%. ii. Flood-resistant materials: Concrete with waterproof additives and corrosion-resistant reinforcement will be used for all below-grade structures. iii. Enhanced drainage system: Installation of retention ponds (capacity 50,000 m^3) and improved canal embankments to manage excess runoff during extreme precipitation events.	**Strong (3)**	Multiple valid adaptation actions were identified with clear justification. Each measure directly addresses flood and precipitation risks identified in the CARA, with specific technical details (elevation heights, material specifications, drainage capacity). The project quantifies risk reduction outcomes and demonstrates how each action reduces vulnerability to sector-

		iv. Early warning system: Integration with NDMA flood forecasting to enable timely evacuation and asset protection. Economic analysis shows adaptation measures reduce expected annual damages from PKR 450 million to PKR 68 million.		specific hazards. The economic benefits of adaptation investments are clearly articulated.
M2	Has a narrative and quantification on project GHG emissions been provided?	Lifecycle GHG emissions in the business-as-usual scenario are estimated to be 3,515 $kTCO_2e$ while the with project scenario is estimated to be 2,810 $kTCO_2e$ resulting in a reduction of 705 $kTCO_2e$ (35 $kTCO_2e$ per year saving). GHG savings for the road bypass project are largely as a result of reduced urban congestion. In addition, mitigation measures for low carbon construction materials, the inclusion of public transport and EV charging infrastructure also contribute to reductions in emissions.	**Adequate (2)**	Quantified narrative provided but limited no detailed breakdown of GHG sources.
M5	Have residual GHG emissions (after mitigation and gender-responsive climate actions are included) been identified and quantified?	Residual GHG emissions of 2,810 $kTCO_2e$ were deemed unavoidable based on the economic analysis and societal limitations in the context of the project. Remaining sources of GHG emissions are as follows: i. The ratio of internal combustion vehicles is projected to be 50% in 2035 and 15% in 2045, with the associated GHG emissions from privately-owned vehicles being unavoidable. ii. GHG emissions from materials and construction are minimized to the extent technically feasible but could not be eliminated. Further climate mitigation measures (Tree Planting, Photovoltaics, Zero Carbon materials and Light Rail Transit) were evaluated but did not meet the economic thresholds for inclusion.	**Strong (3)**	Residual GHG emissions are quantified and sources identified. Justification is provided as well as alternative measures assessed.
G1	Has a narrative on gender gaps and how gender inequalities may affect climate outcomes been provided?	The gender analysis conducted for this project outlines key gender issues in the transport sector in context of adapting to climate change: • Inclusive and gender-responsive transport policies are essential for sustainable development and effective climate action. By prioritizing women's needs in transport strategies, Pakistan can lower emissions, empower women, strengthen the economy, and help vulnerable populations better adapt to climate change.	**Strong (3)**	The analysis identifies relevant gender gaps in the transportation sector, including accessibility, affordability, safety, cultural norms/mobility, and workforce participation disparities and how addressing these would support resilience in the

		• In urban areas, public transport, primarily buses, mini-buses, and motorcycle rickshaws, remains the backbone of female mobility. But overcrowding, irregular schedules, poor vehicle maintenance, and ill-designed facilities exacerbate risks, including sexual harassment reported by up to 70% of women in places like Karachi. • These safety concerns, combined with social norms that restrict women's interactions and travel outside the home, limit access to education, healthcare, and jobs, thereby reinforcing gender inequality. Last-mile connectivity is especially problematic, with poor pedestrian infrastructure exposing women to additional harassment and insecurity. • Economic empowerment is further hindered as women's participation in the transport sector workforce remains marginal, only 0.2% in formal employment, compared to men's 8%. Wage disparities also persist, and socio-cultural barriers discourage women from using informal or unregulated transport, limiting their employment options and mobility. The burden of unpaid care work exacerbates women's time poverty, as poor transport infrastructure increases travel times and reduces opportunities for paid work or education. • Transport policies in Pakistan have historically lacked actionable and gender-responsive strategies, largely overlooking women's distinct needs for safety, accessibility, and affordability. Despite progressive goals in national transport and electric vehicle policies, gaps remain in implementation, gender-disaggregated data, and institutional capacity to mainstream gender equity. Transport projects like Karachi's Bus Rapid Transit (BRT) Red Line and Yellow Line offer promising models, incorporating gender-sensitive features and pilot programs to train and		transportation system. Relevant gender data have also been included to show gender disparities.

		employ women drivers, aiming for inclusive workforce participation and safer travel environments.		
G2	Has the project identified relevant gender-responsive climate measures based on the gender analysis and location-specific risks? Has the project provided analysis on how the actions reduce gender inequality, gender-specific harms and/or vulnerabilities?	In response to the gender issues identified, the project plans to: • Improve safety through better infrastructure (CCTV, lighting, segregated spaces), expanding women-only and women inclusive services, and strengthening harassment reporting and enforcement. • Carry out community engagement, gender-sensitive staff training, and awareness campaigns to challenge restrictive social norms and advance women's agency. • Enhance last-mile connectivity, regulate informal transport, and ensure affordable fares to reduce time poverty. • Support inclusive employment policies, targeted recruitment, and gender-disaggregated data collection to foster women's participation in the transport sector while creating a safer, culturally respectful transit environment that enhance women's mobility, social inclusion, and resilience against climate and economic challenges.	**Strong (3)**	The project outlines project activities that address identified gender gaps: Gender-responsive measures include ways to address safety issues for women, social norms that restrict women's mobility, affordability of transportation, and equity in transportation sector employment.