5 Describing the policy

This chapter provides guidance on describing the policy. To assess the GHG impacts of a policy, users need to describe the policy that will be assessed, decide whether to assess an individual policy or a package of related policies, and choose whether to carry out an ex-ante and/or ex-post assessment.

Checklist of key recommendations

- Clearly describe the policy (or package of policies) that is being assessed

5.1 Describe the policy to be assessed

To effectively carry out an impact assessment (in subsequent chapters), a detailed understanding and description of the policy being assessed are needed. It is a *key recommendation* to clearly describe the policy (or package of policies) that is being assessed. Table 5.1 provides a checklist of recommended information that should be included in a description to enable an effective assessment. Table 5.2 outlines additional information that may be relevant, depending on the context.

If assessing a package of policies, these tables can be used to document either the package as a whole or each policy in the package separately. The first two steps in this chapter (Sections 5.1 and 5.2) can be done together or iteratively.

Users who are assessing the sustainable development and/or transformational impacts of the policy (using the ICAT *Sustainable Development Methodology* and/or *Transformational Change Methodology*) should describe the policy in the same way to ensure a consistent and integrated assessment.

5.2 Decide whether to assess an individual policy or a package of policies

If multiple policies are being developed or implemented in the same time frame, users can assess them either individually or as a package. When making this decision, users should consider the assessment objectives, the feasibility of assessing impacts individually or as a package, and the degree of interaction between the policies.

In subsequent chapters, users follow the same general steps, whether they choose to assess an individual policy or a package of related policies. Depending on the choice, the impacts estimated in later chapters will apply either to the individual policy assessed or to the package of policies assessed.

FIGURE **5.1**

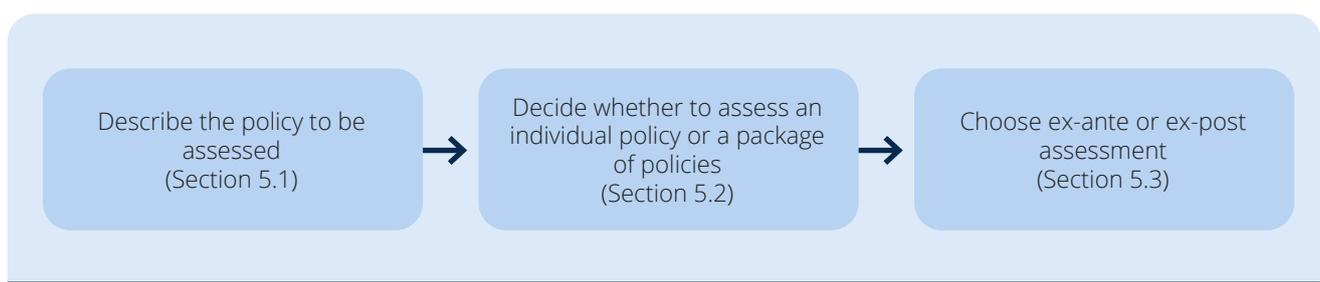**Overview of steps in the chapter**

Describe the policy to be assessed (Section 5.1) → Decide whether to assess an individual policy or a package of policies (Section 5.2) → Choose ex-ante or ex-post assessment (Section 5.3)

TABLE **5.1**

Checklist of recommended information to describe the policy being assessed

Information	Description	Example
Title of the policy	Policy name	PES system and tax for ecosystem service users
Type of policy	The type of policy, such as those presented in Table 3.1, or other categories of policies that may be more relevant	Subsidies and incentives Taxes and charges
Description of specific interventions	The specific mitigation practice and/or technology carried out as part of the policy or action, such as those presented in Box 3.1	Reducing emissions and enhancing removals, through (a) SFM and/or (b) A/R (a) SFM strategies: increasing the minimum age or tree diameter of cutting thresholds, extending the re-entry period for selective harvesting and improving the selection of trees for harvesting (b) A/R strategies: planting trees/woody biomass, planting endangered tree species, removing vegetation that competes with trees, removing ongoing disturbances that prevent natural regeneration Under the new PES system, the Ministry of Environment will engage stakeholders in voluntary contracts to provide ecosystem services on a total of 60% of private forest lands and 25% of low-productivity cropland over 10 years. The specific aim of the policy is SFM on private forest land and A/R activities on cropland. Voluntary contracts aim to promote sustainable harvest regimes, general tree planting, tree planting with endangered species, and natural regeneration, with landowner payments for each practice of $500/ha, $1,000/ha, $1,500/ha, and $500/ha, respectively. A new tax system will be enacted to fund the ecosystem service payments. Under this system, a national legislative body will enact a new tax for all users of ecosystem services (primarily for water and hydroelectric utilities, but other sectors may be included, such as tourism companies). The national taxing agency will collect the tax, which will fund the new PES programme (estimated to be about 1–2% of annual revenue) to provide programme incentives, as well as administrative and operational expenses.
Status of the policy	Whether the policy is planned, adopted or implemented	The national government is evaluating whether to implement this policy.
Date of implementation	The date the policy comes into effect (not the date that any supporting legislation is enacted)	Expected 2021
Date of completion (if relevant)	If relevant, the date the policy ceases, such as the date a tax is no longer levied or the end date of an incentive scheme with a limited duration (not the date that the policy no longer has an impact)	Expected 2030

TABLE 5.1, continued

Checklist of recommended information to describe the policy being assessed

Information	Description	Example
Implementing entity or entities	The entity or entities that implement(s) the policy, including the role of various local, subnational, national, international or any other entities	National legislative body and Ministry of Environment
Objectives and intended impacts or benefits of the policy	The intended impact(s) or benefit(s) of the policy (e.g. the purpose stated in the legislation or regulation)	The goals of the PES programme are to expand SFM activities, and promote A/R through tree planting or natural regeneration. Specifically, the goals are to: • increase forest carbon stocks on private forest land • increase forest carbon stocks on low-productivity cropland • decrease soil erosion • increase economic output for ecosystem services, including water retention/run-off and biodiversity • reduce degradation pressure on private forest lands • accelerate adoption of improved SFM on a widespread basis by demonstrating ecosystem service benefits of improving forest carbon stocks.
Level of the policy	The level of implementation, such as national level, subnational level, city level, sector level or project level	National
Geographic coverage	The jurisdiction or geographic area where the policy is implemented or enforced, which may be more limited than all the jurisdictions where the policy has an impact	Based on data from the latest national forest census, the total area of privately owned forest land in the country is 250,000 ha; 60% of this area is 150,000 ha. From national agriculture statistics, it is known that the total area of low-productivity cropland is 240,000 ha; 25% of this is 60,000 ha.
Sectors targeted	The sectors or subsectors that are targeted	Forest and agriculture – interventions will target private forest and cropland owners.
Greenhouse gases targeted	Which GHG the policy aims to control, which may be more limited than the set of GHG that the policy affects	Increase CO_2 sequestration in forests.
Other related policies or actions	Other policies or actions that may interact with the policy being assessed	The regional Non-Industrial Private Forest programme, funded by a non-profit organization, aims to encourage sustainable harvest practices through capacity-building in a region containing 10,000 ha of private forest land. The Forest Protection Act (FPA) of 2010 improves enforcement of laws preventing illegal logging. Monitoring and evaluation of the FPA indicates it has reduced illegal logging by approximately 5%. The FPA has the potential to discourage forest degradation on private forest land.

Source: Adapted from WRI (2014).

Abbreviation: PES, payment for ecosystem services

TABLE **5.2**

Checklist of additional information that may be relevant to describe the policy being assessed

Information	Description	Example
Intended level of mitigation to be achieved and/or target level of other indicators	If relevant and available, the total emissions and removals from the sources and sinks targeted; the target amount of emissions to be reduced or removals to be enhanced as a result of the policy, both annually and cumulatively over the life of the policy (or by a stated date); and/or the target level of key indicators (such as hectares of land to conserve)	The goal of the policy is for 150,000 more hectares of forest land to be brought into SFM, and 60,000 more hectares of cropland to be converted to forest land as a result of the policy: • SFM – 150,000 ha • tree planting – 15,000 ha • natural regeneration – 40,000 ha • tree planting with endangered species – 5,000 ha.
Title of establishing legislation, regulations or other founding documents	The name(s) of legislation or regulations authorizing or establishing the policy (or other founding documents, if there is no legislative basis)	Pending legislation Ministry of Environment draft PES contract template
Monitoring, reporting and verification procedures	References to any monitoring, reporting and verification procedures associated with implementing the policy	Annual forest land and cropland visits conducted by forest and extension specialists to all landowners receiving payment. Specialists to verify implementation of practices according to annual reports submitted by participants. See "Enforcement mechanisms" for more information on reporting.
Enforcement mechanisms	Any enforcement or compliance procedures, such as penalties for non-compliance or requirements for reporting	Participation in the programme is voluntary. However, to receive payments, landowners must submit a year 1 and year 10 forest inventory report. Landowners must also submit annual harvesting records. Reports are submitted to the Ministry of Environment. They can be filled out and submitted with assistance from extension specialists.
Reference to relevant documents	Information to allow practitioners and other interested parties to access any guidance documents related to the policy (e.g. through websites)	Ministry of Environment private landowner forest inventory report template
Broader context or significance of the policy	The broader context for understanding the policy	The policy is part of the package of actions that is being considered to fulfil the aspirational goal (as described in the NDC submitted to UNFCCC) to reduce total national GHG emissions in 2035 from 35% to 17.5% above 2010 levels. It is anticipated that the policy will account for a minimum of 20% of the total GHG reductions required to achieve the NDC goal.
Outline of sustainable development impacts of the policy	Any anticipated sustainable development benefits other than GHG mitigation	Land-use change, water quality, endangered species and biodiversity improvement

Checklist of additional information that may be relevant to describe the policy being assessed

Information	Description	Example
Key stakeholders	Key stakeholder groups affected by the policy	Private forest landowners, farmers, users of ecosystem services (primarily water and hydroelectric utilities)
Other relevant information	Any other relevant information (e.g. costs, non-GHG mitigation benefits)	If this policy is successful, there may be a decrease in supply of agricultural products from a decrease in available cropland. A decrease in cropland or a decrease in harvest timber may result in forest degradation on non-participating lands.

Source: Adapted from WRI (2014).

Abbreviation: PES, payment for ecosystem services

5.2.1 Types of policy interactions

Policies can either be independent of each other or interact with each other. Policies interact if their total impact, when implemented together, differs from the sum of their individual impacts had they been implemented separately. They interact if they affect the same GHG source or carbon pool. For example, national and subnational policies in the same sector are likely to interact since they likely affect the same GHG sources and carbon pools. Two policies implemented at the same level may also interact.

Policies do not interact if they do not affect the same GHG sources and carbon pools, either directly or indirectly.

Policies can be independent, overlapping, reinforcing, or both overlapping and reinforcing. Table 5.3 and Figure 5.2 provide an overview of four possible relationships between policies. Further information is available in the *Policy and Action Standard*.

5.2.2 Determining whether to assess an individual policy or package of policies

To assess the extent of policy interactions and decide whether to assess an individual policy or a package of policies, users should follow these steps:

- step 1 – characterize the type and degree of interaction between the policies under consideration

- step 2 – apply criteria to determine whether to assess an individual policy or a package of policies.

Step 1: Characterize the type and degree of interaction between the policies under consideration

Potentially interacting policies can be identified by identifying activities targeted by the policy, then identifying other policies that target the same activities. From this, assess the relationship between the policies (independent, overlapping or reinforcing) and the degree of interaction (minor, moderate or major). The assessment of interaction can be based on expert judgment, published studies of similar combinations of policies or consultations with relevant experts. The assessment should be limited to a preliminary qualitative assessment at this stage.

Step 2: Apply criteria to determine whether to assess an individual policy or a package of policies

Where policies interact, there can be advantages and disadvantages to assessing the interacting policies individually or as a package (see Table 5.4). To help decide, apply the criteria in Table 5.5. In some cases, certain criteria may suggest assessing an individual policy, while other criteria suggest assessing a package. Users should exercise judgment, based on the specific circumstances of the assessment. For example, related policies may have significant interactions (suggesting a package), but it may not be feasible to model the whole package (suggesting an individual assessment). In this case, a user can assess an individual policy, but acknowledge in a disclaimer

TABLE **5.3**

Types of relationships between policies

Type	Description
Independent	Multiple policies do not interact with each other. The combined effect of implementing the policies together is equal to the sum of the individual effects of implementing them separately.
Overlapping	Multiple policies interact, and their combined effect is less than the sum of their individual effects if implemented separately. This category includes policies that have the same or complementary goals (such as national and subnational energy efficiency standards), as well as counteracting policies that have different or opposing goals (such as increasing food production and reducing emissions from agriculture).
Reinforcing	Multiple policies interact, and their combined effect is greater than the sum of their individual effects if implemented separately.
Overlapping and reinforcing	Multiple policies interact, and have both overlapping and reinforcing interactions. Their combined effect may be greater or less than the sum of their individual effects if implemented separately.

Source: WRI (2014).

FIGURE **5.2**

Types of relationships between policies

Source: Adapted from WRI (2014).
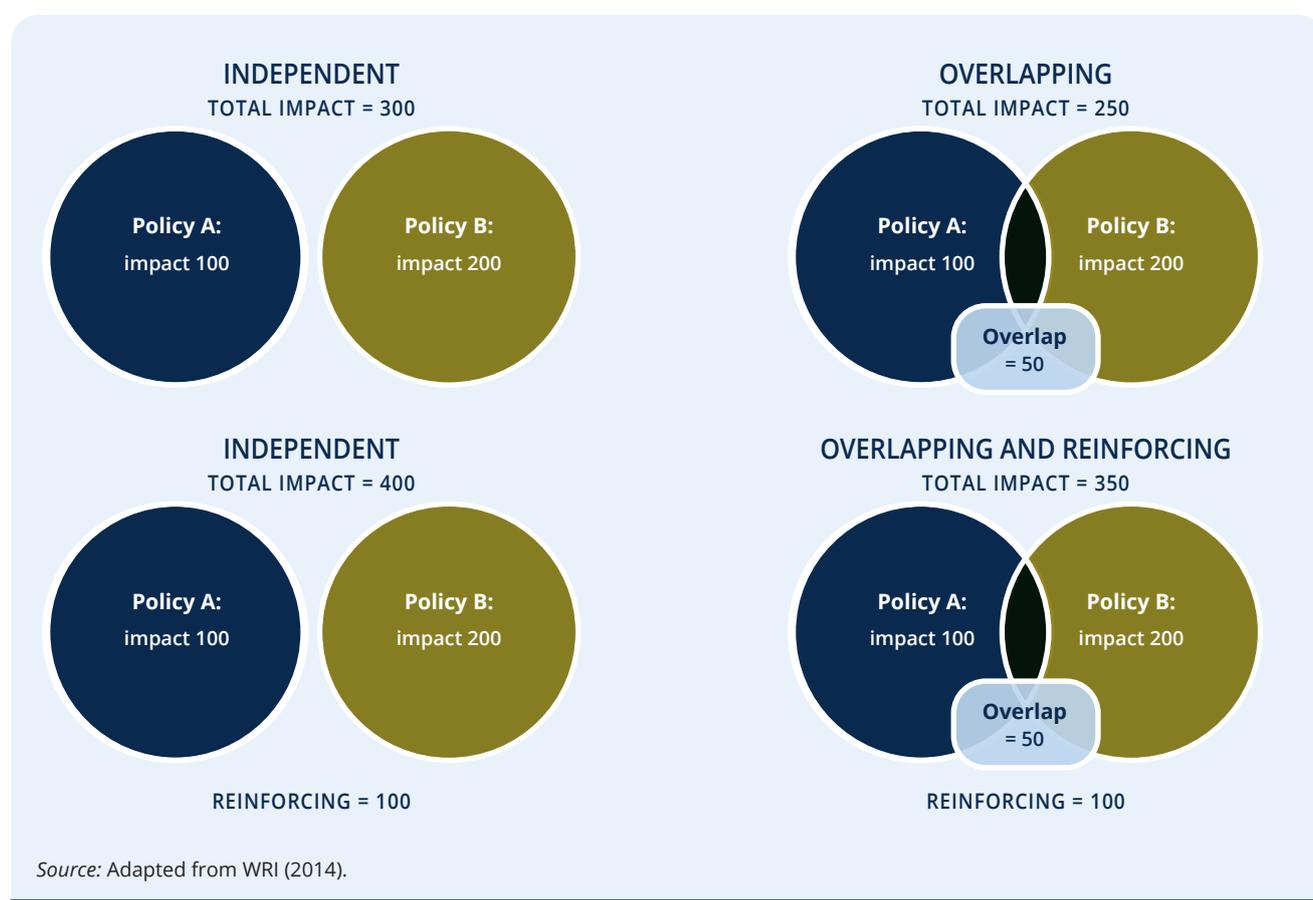
that any subsequent aggregation of the results from individual assessments would be inaccurate given the interactions between the policies.

Users can also assess both individual policies and packages of policies. Doing so will yield more information than choosing only one option. Undertaking both individual assessments and assessments for combinations of policies should be considered where the end user requires information on both, resources are available to undertake multiple analyses and undertaking both is feasible.

Where users choose to assess both an individual policy and a package of policies that includes the individual policy assessed, they should define each assessment separately and treat each as a discrete application of this methodology, to avoid confusion of the results.

TABLE **5.4**

Advantages and disadvantages of assessing policies individually or as a package

Approach	Advantages	Disadvantages
Assessing policies individually	Shows the effectiveness of individual policies, which decision makers may require to make decisions about which individual policies to support. May be simpler than assessing a package in some cases, since the causal chain and range of impacts for a package may be significantly more complex.	The estimated impacts from assessments of individual policies cannot be straightforwardly summed to determine total impacts, if interactions are not accounted for.
Assessing policies as a package	Captures the interactions between policies in the package and better reflects the total impacts of the package. May be simpler than undertaking individual assessments in some cases, since it avoids the need to disaggregate the effects of individual policies.	Does not show the effectiveness of individual policies. May be difficult to quantify.

Source: Adapted from WRI (2014).

TABLE **5.5**

Criteria for determining whether to assess policies individually or as a package

Criterion	Questions	Recommendation
Objectives and use of results	Do the end users of the assessment results want to know the impact of individual policies (e.g. to inform choices on which individual policies to implement or continue supporting)?	If "Yes", undertake an individual assessment.
Significant interactions	Are there significant (major or moderate) interactions between the identified policies, either overlapping or reinforcing, that will be difficult to estimate if policies are assessed individually? For example, policies that target other sectors can coexist and reinforce forest policies that focus on reducing drivers of deforestation and/or degradation. These include policies that: • promote agricultural intensification • support the use of alternative fuels • reform transportation networks.	If "Yes", consider assessing a package of policies.
Feasibility	Is it possible (e.g. are data available) to assess a package of policies?	If "No", undertake an individual assessment.
	For ex-post assessments, is it possible to disaggregate the observed impacts of interacting policies?	If "No", consider assessing a package of policies.

Source: Adapted from WRI (2014).

5.3 Choose ex-ante or ex-post assessment

Choose whether to carry out an ex-ante assessment, an ex-post assessment, or a combined ex-ante and ex-post assessment. Choosing between ex-ante and ex-post assessment depends on the status of the policy. Where the policy is planned or adopted, but not yet implemented, the assessment will be ex-ante by definition. Alternatively, where the policy has been implemented, the assessment can be ex-ante, ex-post, or a combination of ex-ante and ex-post. The assessment is ex-post assessment if the objective is to estimate the impacts of the policy to date, an ex-ante assessment if the objective is to estimate the expected impacts in the future, and a combined ex-ante and ex-post assessment if the objective is to estimate both the past and future impacts. An ex-ante assessment can include historical data if the policy is already implemented, but it is still ex-ante (rather than ex-post) if the objective is to estimate future effects of the policy.