

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 the individual policy or a package of related policies, and choose whether to carry out an ex-ante 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 (described in subsequent chapters), a detailed understanding of the policy being assessed is 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 the chapter ([Sections 5.1](#) and [5.2](#)) can be done together or iteratively.

Users who are assessing the sustainable development and/or transformational change 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, the scope and level of incentive, and the degree of interaction between the policies. Where interactions exist, there can be advantages and disadvantages to assessing policies individually or as a package.

FIGURE 5.1

Overview of steps in the chapter

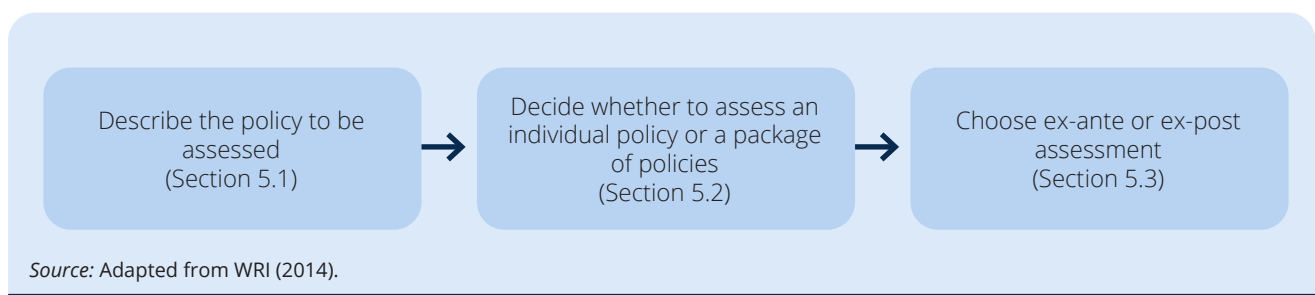


TABLE 5.1

Checklist of recommended information to describe the policy being assessed

Information	Description	Example
Title of the policy or action	Policy name	Feed-in tariff without cap
Type of policy or action	The type of policy, such as those presented in Table 3.1	Feed-in tariff policy
Description of specific interventions	The specific intervention(s) carried out as part of the policy, such as the technologies, processes or practices implemented	<p>Policy characteristics:</p> <ul style="list-style-type: none"> • Tariff differentiation – higher tariffs for small projects and lower tariffs for large-scale projects (set to give rates of return of 5–8%) • Eligibility – the only technology eligible under the feed-in tariff is solar PV • Utility role – government-owned single buyer with guaranteed purchase up to the annual production quota • Payment structure – premium-price policies • Contract and payment duration – premium is offered over a project’s entire lifetime • Forecasting – no forecasting requirements • Grid access – grid priority for renewable energies • Policy adjustments – only inflation adjustments over lifetime of feed-in tariff
Status of policy	Whether the policy is planned, adopted or implemented	Implemented
Date of implementation	The date the policy comes into effect (not the date that any supporting legislation is enacted)	1 July 2016
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 policy with a limited duration (not the date that the policy no longer has an impact)	No end date has currently been set
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	Ministry of Energy/Energy Regulatory Commission
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)	To increase deployment of solar PV and increase energy security
Level of the policy	The level of implementation, such as national level, subnational level, city level, sector level or project level	National

TABLE 5.1, continued

Checklist of recommended information to describe the policy being assessed

Information	Description	Example
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	Small, least developed country
Sectors targeted	The sectors or subsectors that are targeted	Energy supply, grid-connected solar PV
Greenhouse gases targeted	The GHGs the policy aims to control, which may be more limited than the set of GHGs that the policy affects	Carbon dioxide
Other related policies or actions	Other policies or actions that may interact with the policy assessed	Fossil fuel subsidies, tender policies, tax incentive policies

Source: Adapted from WRI (2014).

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	Target level of key indicators, if relevant	National target: <ul style="list-style-type: none"> • 15% share of PV or RE in electricity mix • 20% sectoral emissions reduction below base year Y Policy: <ul style="list-style-type: none"> • The policy does not have a separate target but instead is designed in an open manner.
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)	Energy Feed-in Law
Monitoring, reporting and verification procedures	References to any monitoring, reporting and verification procedures associated with implementing the policy	A coordinating body will be formed to ensure continuous monitoring and create a monitoring plan. The power producer establishes QA and QC measures to control and manage reading, recording, auditing and archiving all relevant data and documents. Monitoring data for net electricity generation at the plant level can be obtained from the periodic electricity meter records kept by the power producer and/or the electricity board or grid company. These may be cross-checked with invoices sent by power producers to the grid company.

TABLE 5.2, continued

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

Information	Description	Example
Enforcement mechanisms	Any enforcement or compliance procedures, such as penalties for non-compliance	The feed-in tariff has enforcement mechanisms in place to ensure that the reported data (electricity generation) are correct.
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)	Renewable Energy Sources Act
Broader context or significance of the policy	The broader context for understanding the policy	The policy will contribute to the national target of a 15% share of PV or RE in the electricity mix, and the 20% sectoral emissions reduction below base year 2005. The policy will reduce consumption of fossil fuels and contribute to energy security.
Outline of sustainable development impacts of the policy or action	Any anticipated sustainable development benefits other than GHG mitigation	Will lead to more construction jobs and greater energy security. Solar energy will also provide quick alternative power during severe climate changes that may occur (El Niño). Will lead to increased solar electricity generation in the country, contributing to energy security by displacing fossil fuel energy source that require fuel imports.
Key stakeholders	Key stakeholder groups affected by the policy	<ul style="list-style-type: none"> • Departments or ministries of energy • Energy regulatory commissions • Energy planning offices • Power producers • Investors • Utilities • Consumers • Constituents affected at installation sites
Other relevant information	Any other relevant information (e.g. costs, sustainable development and transformational change benefits)	

Source: Adapted from WRI (2014).

Abbreviations: QA, quality assurance; QC, quality control

5.2.1 Types of policy interactions

Policies interact if their total impact, when implemented together, differs from the sum of their individual impacts had they been implemented separately. [Table 5.3](#) provides an overview of the four possible relationships. Further information is available in the *Policy and Action Standard*.

Policy interactions should be considered in the context of other RE policies, as well as broader energy policy. Some RE policies may be implemented as part of a suite of measures to meet broad energy policy objectives in integrated policy planning, which is periodically reviewed (e.g. decommissioning of fossil fuel plants coupled with phasing out nuclear and deployment of RE, as an integrated policy). Where this is the case, the RE component may be implemented

using, for example, a tender process with many periodic windows that set the cap based on how well the other elements of the integrated energy policy are performing (i.e. whether the decommissioning of fossil fuel plants is on schedule, or whether a nuclear phase-out programme is delayed or has altered its ambition). These considerations affect the potential for RE deployment over time.

5.2.2 Identification of interaction between policies

Where related policies exist, users should first consider their specific objectives and circumstances when deciding whether to assess an individual policy

or a package of interacting policies. An approach is set out below to help with this decision.

Step 1: Characterize the type and degree of interactions between policies

Assess the relationship between the policies and the degree of interaction (minor, moderate or major), based on published studies of similar combinations of policies or on expert judgment. The assessment will be qualitative, since a quantitative assessment would require many of the steps needed for a full assessment.

Consider whether the same types of RE installations or technologies are eligible under the policy being assessed and other policies identified. [Table 5.4](#)

TABLE 5.3

Types of relationships between renewable energy policies

Type	Description
Independent	Multiple policies do not interact with each other. The combined impact of implementing the policies together is equal to the sum of the individual impacts of implementing them separately.
Overlapping	Multiple policies interact, and their combined impact is less than the sum of their individual impacts. This category includes policies that have identical or complementary goals, as well as policies that have different or opposing goals.
Reinforcing	Multiple policies interact, and their combined impact is greater than the sum of the individual impacts of implementing them separately.
Overlapping and reinforcing	Multiple policies interact, and have both overlapping and reinforcing interactions. The combined impacts may be greater or less than the sum of the individual impacts of implementing them separately.

Source: WRI (2014).

TABLE 5.4

Example of mapping policies that target the same emissions sources

Policy being assessed	Other policies targeting the same sources	Type of interaction (independent, overlapping, reinforcing, overlapping and reinforcing)	Degree of interaction (minor, moderate, major)
Feed-in tariff policy, biomass installations eligible	Tender policy, offshore wind energy installations eligible	Independent	Minor
	Tax incentive policies for solar and biomass installations	Overlapping (and potentially reinforcing)	Moderate

Source: Adapted from WRI (2015).

provides an example of a relationship between policies that target the same GHG emissions sources – in this example, a feed-in tariff for biomass installations interacts with two other policies that target the same emissions source.

Step 2: Undertake a preliminary analysis to understand the nature of interactions and decide whether to assess an individual policy or a package of policies

This analysis is high level and qualitative; detailed analysis of interactions is addressed in subsequent chapters. The criteria and questions in [Table 5.5](#) can help users decide whether to assess an individual policy or a package of policies.

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 an 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.

TABLE 5.5

Criteria for determining whether to assess an individual policy or a package of policies

Criterion	Questions	Recommendation
Objectives and use of results	Do the end users of the assessment results want to know the impact of individual policies?	If "Yes", undertake an individual assessment.
Significant interactions	Are there significant (major or moderate) interactions between the identified policies, either overlapping or reinforcing, which will be missed if policies are assessed individually?	If "Yes", consider assessing a package of policies.
Scope and level of incentive	Does one policy clearly provide a stronger incentive than the others? Do the other policies spur additional emissions reductions not already covered by the policies with stronger incentives? See the decision tree in Figure 5.2 to assess overlap in incentives provided by different policies.	If "Yes", consider focusing on the policy superseding the others in an individual assessment.
Feasibility	Will the assessment be manageable if a package of policies is assessed? Are data available for assessing the package of policies? Are the policies implemented by a single entity?	If "No", consider undertaking an individual assessment.
	For ex-post assessments, is it possible to disaggregate the observed GHG impacts of interacting policies?	If "No", consider assessing a package of policies.

Source: WRI (2014).

FIGURE 5.2

Overlap and reinforcement in incentives provided by different policies