
5 Describing the policy, and the assessment boundary and period

To assess the transformational impacts of a policy, users need to describe the policy, decide whether to assess an individual policy or a package of related policies, and choose whether to carry out an ex-ante or an ex-post assessment. This chapter also explains how to define the assessment boundary and assessment period.

Checklist of key recommendations

- Clearly describe the policy (or package of policies) that is being assessed
- Define the assessment boundary in terms of geographical and sectoral coverage of transformational characteristics selected for assessment
- Define the assessment period

5.1 Describe the policy to be assessed

A comprehensive and structured description of the policy is necessary to carry out the assessment in subsequent steps. 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.

When multiple policies are being developed or implemented in the same time frame, or as part of the same broad strategy or plan, users can assess the policies either individually or together as a package. When making this decision, it is useful to consider the assessment objectives, feasibility and the degree of interaction between the individual policies under consideration. Further guidance on whether to assess an individual policy or a package of policies is available in the ICAT sector-specific GHG methodologies and the *Sustainable Development Methodology*. Users who assess the GHG impacts and/or sustainable development impacts of a policy following other ICAT methodologies should describe the policy or policy package in the same way to ensure a consistent and integrated assessment, or explain why there are differences in how the policy is described across the assessments. When a package is assessed, users should explain which individual policies are included in the package and how they contribute to a transformational vision.

[Table 5.1](#) can be used to document either the package as a whole or each policy in the package separately. It uses the hypothetical example of a grid-connected rooftop solar policy. In subsequent chapters, users follow the same general steps and methodology, whether they choose to assess an individual policy or a package of policies.

FIGURE 5.1

Overview of steps in the chapter

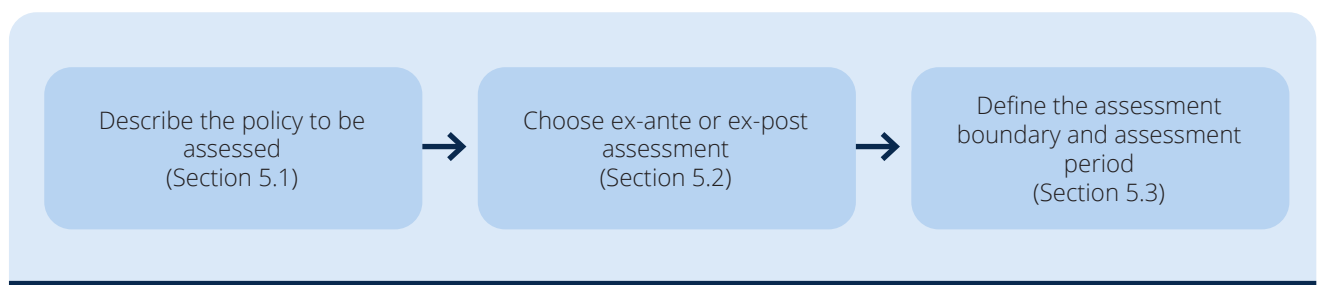


TABLE 5.1

Checklist of recommended information to describe the policy being assessed

Information	Description	Hypothetical example
Title of the policy	Policy name	Grid-connected rooftop solar programme; referred to as the “solar PV policy” throughout this methodology
Type of policy	The type of policy, such as those presented in Table 1.1 , or other categories of policies that may be more relevant	Financial incentive policy
Description of specific interventions	The specific intervention(s) carried out as part of the policy, such as the technologies, processes or practices implemented to achieve the policy	Description of financial incentives. The policy includes two specific interventions: <ul style="list-style-type: none"> • a financial subsidy up to 30% of project/benchmark cost for rooftop solar projects (up to 500 kW) in commercial, industrial, non-profit, single-family residential, multi-family residential, low-income residential and institutional buildings; it also provides concessional loans to rooftop solar project developers • a feed-in tariff for all new grid-connected rooftop solar and small solar power plants.
Status of the policy	Whether the policy is planned, adopted or implemented	The policy has been implemented (currently in effect).
Date of implementation	The date the policy comes into effect (not the date that any supporting legislation is enacted)	1 January 2015
Date of completion (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)	Provision of financial incentives and feed-in tariff ends on 31 December 2022.
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	Government funds are disbursed by the ministry to state agencies, financial institutions, implementing agencies and other government-approved partners, including renewable energy service providers, system integrators, manufacturers, vendors and NGOs. The feed-in tariff is determined by an electricity regulatory authority for different regions, which may have different electricity rates, and is administered by the electricity utility companies.
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), including specific goals for GHG emissions reductions and sustainable development impacts, where available	The policy is intended to increase deployment of solar energy, deepen solar technology penetration, increase access to clean energy, increase energy security, create jobs, reduce GHG emissions, and create an enabling environment for technology penetration, investment, installation, capacity-building, research and development in the solar energy sector. The policy has the following goals: <ul style="list-style-type: none"> • annual emissions reductions of 20 million tCO₂e by 2022 • 200,000 new green jobs (e.g. in solar PV installation and maintenance sectors) created by 2022.

TABLE 5.1, continued

Checklist of recommended information to describe the policy being assessed

Information	Description	Hypothetical example
Level of the policy	The level of implementation, such as national, subnational, city, sector or project	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	National
Sectors targeted	The sectors and subsectors that are targeted	Energy supply, grid-connected solar PV
Other related policies or actions	Other policies or actions that may interact with the policy assessed	The government targets installation of 100 GW of solar power by 2022, of which 20 GW is to be achieved through rooftop solar power plants through the solar PV policy.
Reference	A link or full reference to access further, detailed information about the policy	www.solarpvpolicy.org

5.2 Choose ex-ante or ex-post assessment

Users should choose whether to carry out an ex-ante assessment, an ex-post assessment, or a combined ex-post and ex-ante assessment. An assessment is classified as ex-ante or ex-post depending on whether it is prospective (forward-looking) or retrospective (backward-looking). Ex-ante assessment is the process of assessing expected future impacts of a policy. Ex-post assessment is the process of assessing historical impacts of a policy. Ex-ante assessment can be carried out before or during policy implementation, while ex-post assessment can be carried out either during or after policy implementation.

Choosing between ex-ante and ex-post assessment depends on the status of the policy:

- If the policy is planned or adopted, but not yet implemented, the assessment will be ex-ante by default.
- If the policy is under implementation, the assessment can be either ex-ante, ex-post or a combination of the two. Users should carry

out an ex-post assessment when the objective is to assess the extent of transformation achieved by the policy to date, an ex-ante assessment when the objective is to assess the extent of transformation expected in the future, or a combined ex-ante and ex-post assessment to assess the extent of transformation both expected and achieved by the policy.

5.3 Define the assessment boundary and assessment period

The assessment boundary and assessment period define the scope of the assessment. The assessment boundary defines the scope of the assessment in terms of the transformational impacts covered, and the geographical and sectoral coverage of the policy.

This methodology encourages a comprehensive assessment that includes the full range of characteristics considered to be relevant. For this reason, the assessment boundary can be broader than the geographical and sectoral boundary within which the policy is implemented. For example, if a

policy is implemented within one sector in a country but has significant impacts in other sectors or in neighbouring countries, users can consider an assessment boundary that includes impacts in these other sectors or countries, where feasible. All specific and relevant characteristics of transformational change identified are to be included in the assessment boundary.

A two-step approach to defining the assessment boundary and the assessment period is recommended. The first step is to define the boundaries based on the description of the policy. The second, iterative step is to revisit and revise the definition of boundaries after the transformational impacts have been selected in [Section 6.5](#).

It is a *key recommendation* to define the assessment boundary in terms of geographical and sectoral coverage of transformational characteristics selected for assessment. Users define the assessment boundary in terms of the impacts covered, and the geographical and sectoral coverage as follows:

- **Impacts covered.** Along with GHGs, users should specify which sustainable development impact categories are selected for assessment. Each impact category will be separately assessed. The ICAT *Sustainable Development Methodology* (Chapter 5) provides a list of impact categories across the environmental, social and economic dimensions that can be assessed, such as jobs, air quality, health, gross domestic product (GDP), gender equality, water quality and energy security. For the hypothetical solar PV policy example, jobs is the only sustainable development impact category that has been selected for assessment (in addition to GHGs).
- **Geographical coverage.** Users can undertake the assessment at the global, national, state or city level. This may or may not be the same as the geographical coverage of the policy. For example, users can undertake a regional or national assessment of a policy such as the European Union Emissions Trading Scheme, which applies to the entire European Union region. For a national policy, users can conduct the assessment at a national level or at a state level, to understand whether the policy is likely to result in transformational change in a state. For the solar PV policy example, the assessment is undertaken at the national level.

- **Sectoral coverage.** Users should specify the sector(s) included in the assessment. These can be the same as, or a subset of, sectors targeted by the policy. Users should include at least the major sector(s) affected by the policy in their assessment. For the solar PV policy, users could undertake the assessment for the entire electricity sector, the renewable energy sector or the narrower solar PV subsector. In the example used in the methodology, the assessment covers the solar PV subsector only.

The assessment period is the time period over which the extent of transformation expected or achieved by the policy is assessed. It is a *key recommendation* to define the assessment period. The assessment period can be different from the policy implementation period – that is, the period during which the policy is being implemented and is in effect. The assessment period should be selected to include the full range of relevant impacts, based on when they are expected to occur or have occurred.

System changes usually unfold over a longer period of time than individual impacts. The sustained nature of impacts may only become evident with time. Hence, users are encouraged to select a long assessment period (e.g. 15 years or more, with an end date such as 2040 or 2050) to align with longer-term plans and goals. It is also helpful to assess impacts for short- and medium-term goals to assess performance against specific targets and enable course correction, if needed. For example, where the objective is to understand the expected contribution of a policy towards achieving a country's NDC, users may use the NDC implementation period (e.g. ending in 2030) as a mid-term milestone. Similarly, to align the results with the achievement of SDGs under the 2030 Agenda for Sustainable Development, users may define a 2040 assessment period with a 2030 milestone. In the case of ex-post assessments, regular monitoring of impacts is encouraged to enable modification of strategies as needed. For the hypothetical solar PV policy example, the assessment period is 2015–2030 (15 years).

The timing and coverage of data collection to assess characteristics will depend on the user's reporting needs, as well as the indicators and data sources used. Users can choose to monitor the policy outside the assessment boundary and beyond the assessment period. [Chapter 10](#) provides further methodology on the practical monitoring of indicators over time and within the assessment boundary defined.

Where possible, users should align the assessment period with other assessments being conducted using other ICAT methodologies, provided that the assessment period is suitably long, in keeping with the guidance above. Alternatively, users can choose to do assessments for multiple points in time (e.g. for 2030 and 2050) to support short- and mid-term planning. For example, where users are assessing sustainable development impacts using the ICAT *Sustainable Development Methodology* in addition to assessing transformational impacts, the assessment period should be the same for both the sustainable development and transformational impact assessments if the former has a long assessment period. If the assessment period for sustainable development is, say, 2025, users should select 2025 as one of the points in time to assess impacts to align with the sustainable development impact assessment. In addition, they should choose a longer assessment period appropriate for assessing transformational impacts, given they often unfold over lengthier durations.