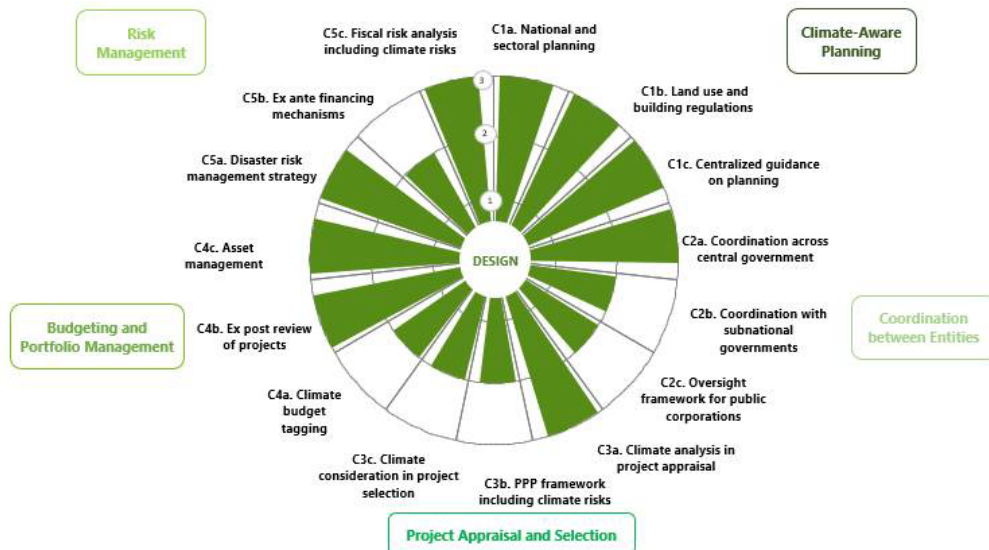


Table 1. United Kingdom: Climate PIMA Summary Scoring

Institution		Assessed Strength	Reform Priority
C1	Climate aware planning	HIGH National and sectoral public investment plans are aligned with the UK's climate objectives; spatial planning and building regulations are designed to ensure resilience to climate-related natural disasters and extensive written guidance is provided to assist with the incorporation of climate objectives in the planning of programmes and projects.	Low
C2	Coordination between entities	MEDIUM . Various investment coordination practices exist that promote consistency of climate change-related public investments across different parts of the public sector. However, there is space to develop more explicit expectations and formal requirements to ensure that all public investments of local governments and public corporations are fully consistent with national climate commitments.	Medium
C3	Project appraisal and selection	MEDIUM Good guidance for climate-aware appraisals in place, but appraisals are generally not public. New private finance initiative and similar projects are few, but existing contracts not always managed from a climate perspective. Spending decisions reflect climate considerations (especially mitigation) but formal criteria are not in place.	Medium
C4	Budgeting and portfolio management	HIGH Budget documentation includes information on capital spending inputs for each major policy area; SR20 and SR21 included climate-related investments; IPA has assurance tests on Net Zero and climate resilience. Well-developed regulatory framework and guidance on the conduct of ex post project reviews and of Value for Money audits by the NAO. The Better Business Case process incorporates an assessment of whether a project has plans for maintenance and resilience; central property register records climate-related data.	Low
C5	Risk management	HIGH . There is a strong risk management framework, with comprehensive fiscal risk analysis presented in the Climate Change Risk Assessment and the OBR's Fiscal Risk Statement. While the Contingencies Fund provides some flexibility to manage climate-related risks, fiscal stress tests of high-impact low-probability climate-related events could be used to assess the value of alternative ex-ante financing mechanisms to cover extreme events.	Medium

Figure 1. Climate PIMA Results



Source: IMF staff