

THE MITIGATION ACTION FACILITY'S TRANSFORMATIONAL
CHANGE MEASUREMENT FRAMEWORK (TCMF)

Beyond emission reductions: A practical framework for lasting climate impact

On behalf of

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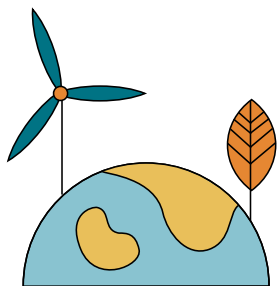


on the basis of a decision
by the German Bundestag

Turning short-term
projects into long-term
transformation



Mitigation Action
Facility



The Mitigation Action Facility's Transformational Change Measurement Framework (TCMF) helps climate projects achieve more than just direct emission reductions. It provides a practical approach to tracking progress toward broad, lasting systemic change – across sectors, institutions, and societies. Developed in alignment with the Mitigation Action Facility's Theory of Change (ToC), the TCMF is a structured, sector-sensitive guidance tool that supports projects in designing, tracking, and reporting their contributions to transformational change throughout the project lifecycle.

WHY TRANSFORMATIONAL CHANGE?

To meet the urgent challenges of climate change, we need more than isolated interventions. We need deep, structural change that reshapes entire systems. That is why the Mitigation Action Facility places transformational change at the heart of its strategy.

Transformational change is embedded in the Mitigation Action Facility's ToC, with projects serving the main pathway through which such change is achieved.

The real target: lasting, systemic change

- Climate finance must catalyse systemic, not just isolated, results.
- Projects are time-limited, but transformation takes time.
- The TCMF helps bridge short-term actions and long-term change.

"Transformational change is a catalytic shift in systems and behaviours needed to move entire sectors toward carbon neutrality."

DEFINITION BY THE
MITIGATION ACTION FACILITY

WHAT DOES TRANSFORMATIONAL CHANGE LOOK LIKE?

The three dimensions of project-induced transformational change

Dimension 1: Promoting a demonstration effect

- Viability and benefits of mitigation solution demonstrated on the ground
- Project stakeholders 'buy-in' to mitigation solution, incl. mobilisation of public/private finance from them
- Results and lessons of mitigation solution documented and promoted

Dimension 2: Causing a catalytic effect

- Broadened political commitment
- New market behaviour, mindsets and ideologies
- Increased finance accessibility
- Improved policy, legislative and regulatory frameworks
- Increased institutional capacity
- Scaling-up

Dimension 3: Contributing to additional GHG savings

- Evidence of additional GHG savings
- High likelihood of large-scale and long-term GHG savings

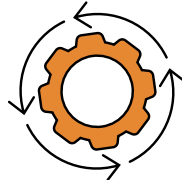


DIMENSION 1

Demonstration effect

Projects prove the **viability and benefits of a mitigation solution** by supporting users, securing stakeholder buy-in, and promoting results.

- Mongolia Building Retrofitting: Residents adopt energy-saving measures
- Cabo Verde EV: Market confidence among car dealers, increased visibility and consumer acceptance of EVs
- Mexico SME Energy Efficiency: Financial support and capacity building to grow the energy efficiency (EE) market and secure institutional and private sector buy-in

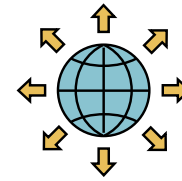


DIMENSION 2

Catalytic effect

Projects spark **systemic changes** such as new policies, financial mechanisms, market behaviours, or institutional capacity.

- Thailand Refrigeration and Air Conditioning (RAC): Broadened political commitment
- Brazil Industrial EE: New market behaviour, mindsets and ideologies, increased finance accessibility as well as improved policy, legislative and regulatory frameworks
- Chile Renewable Energy: Increased institutional capacity and scaling-up

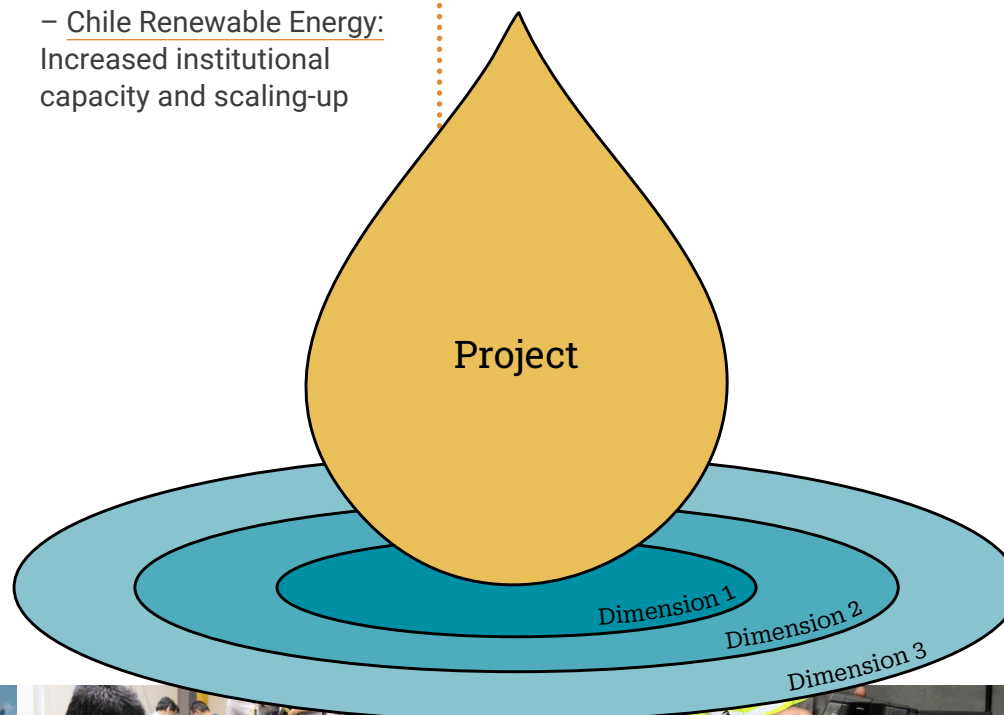


DIMENSION 3

Additional GHG savings

Projects lead to **large-scale, sustained emission reductions** beyond their immediate scope.

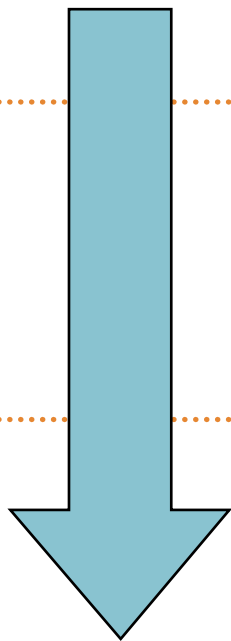
- Thailand Rice: Shift towards low-emissions rice production in the country
- China Waste Management: Nationwide adoption of integrated waste management practices across cities



FROM PLANNING TO LEARNING: HOW THE FRAMEWORK IS USED

Transformational change does not happen overnight. The TCMF recognises that change unfolds progressively over time:

Projects are not expected to deliver transformational change within their lifetime – but they must lay the groundwork for it.



Mid-project

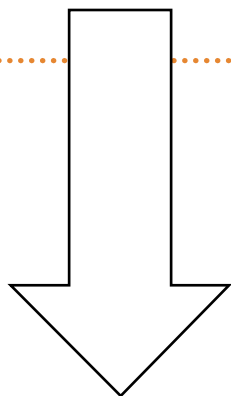
Demonstration activities underway; early signals of catalytic change visible.

Dimension 1 **Interim stage**
Dimension 2 **Early stage**
Dimension 3 **None**

End of the project

Demonstration efforts advanced; catalytic effects emerging; conditions set for long-term impact.

Dimension 1 **Advanced stage**
Dimension 2 **Interim stage**
Dimension 3 **Early stage**



Long term (approx. 10 years post-project)

Full transformation visible as systems, behaviours, and institutions adapt and scale.

**Full transformation
(all dimensions advanced
and completed)**

To ensure that projects are set up for this journey, the Mitigation Action Facility applies the TCMF throughout its project cycle:

- 1** Design & Selection: Potential for transformational change is a key selection criterion when assessing project concepts.
- 2** Monitoring & Reporting: During implementation, projects report their progress on transformational change using the Mandatory Core Indicator M3.
- 3** Evaluation & Learning: Independent mid-term and final evaluations (ELEs) assess signals and evidence of transformational change, offering insights for learning and scaling.

Thailand Refrigeration and Air-Conditioning (Thai RAC)

This project spurred the uptake of green RAC technologies, positioning Thailand as a global leader in climate-friendly cooling. To overcome sector barriers, it combined safety regulation reforms and awareness-raising with targeted grants for research and development, and concessional loans to de-risk early investments in production and market roll-out. The impact remains visible even two years after completion. The project mobilised over EUR 143 million in investment (~10x leverage), kick-started a previously stagnant green cooling market, and opened new market channels through partnerships between Thailand's national electricity utility, manufacturers, and commercial banks.



Brazil Industrial Energy Efficiency

The first Mitigation Action Facility project to successfully upscale its activities, it expanded its impact beyond the initial scope. The project demonstrated the market potential of energy efficiency in SMEs, secured additional financing, and initiated nationwide expansion that influenced both market behaviour and institutional finance norms.

Cabo Verde Electric Vehicles

This project demonstrates how a strategic mix of policy support, market incentives, and local partnerships can stimulate early adoption of electric mobility in small island contexts. By lowering entry barriers and securing private sector participation through clear, mutually beneficial roles, it helped catalyse a national EV transition. The project was recently recognised for its tangible contribution to the energy transition and the advancement of sustainable mobility in Cabo Verde.





Want to learn more about how the TCMF can support your work?

Explore the full guidance



Contact us at contact@mitigation-action.org

Why it matters

Because

- Tested with real projects
- Practical and adaptable
- Aligned with global best practices

Climate impact is not just what you achieve, it's what you set in motion



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PHOTO CREDITS
Unsplash

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Watch our video on transformational change measurement [here](#).

