

## **ESDN Conference 2022 – Session 3**

### **Effects of the Triple Planetary Crisis and Fair Transition**

Inclusive and Participatory Policy Development and  
Decision-Making processes for climate resilient  
development

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# Towards climate resilient development: Our current work

Supporting decision-making for climate resilient development in government is one of OECD' Public Governance Directorate's core priority.

- OECD 2022 background note on “*Governing Green: Gearing up government to deliver on climate and other environmental challenges*”
  - Emphasizes the importance of trust in the public institutions which develop and implement policy solutions to deliver on climate commitments
  
- OECD 2022 forthcoming paper on ‘*Strengthening decision-making processes to deliver climate resilient development*’
  - overview of the key processes which underpin decision-making for climate resilient development
  - Particular attention to those which can be leveraged by centres of government
  - Contribution to OECD's Horizontal Project on Climate and Resilience
  
- OECD/DG Reform Romania TSI Project on ‘*Enhancing policy coherence, transparency and coordination at the CoG in Romania*’
  - Work conducted in collaboration with the CoG in Romania to strengthen the **coordination system** for steering “green” public policies

# Strengthening decision-making processes for climate resilient development – Our starting point

## Incentives for government action

- Climate change as an ongoing and threatening phenomenon
- Strong majority baseline support for **progressive** and **effective** climate policies (joint Harvard/OECD survey)
- Climate policy uncertainty negatively affects private sector investments in climate-friendly technologies (OECD Eco)

## The “problem”

- Systemic, long-term and cross-border nature of climate change represents a challenge for traditional government practices and structures
- Rapidly shrinking window of opportunity
- Knowledge gap on how governments can organise themselves to address these challenges

## The working paper

- Overview of the key processes and trends which underpin decision-making for climate resilient development
  - Institutional and legal framework underpinning climate decision-making
  - Coordination mechanisms
  - Strategic planning landscape
  - Policy development for just and sound policies

# Two areas of particular interest for this session

1

**Embedding climate resilience in the institutional and legal framework**

2

**Leveraging coordination mechanisms and instruments to deliver environmental and climate commitments**

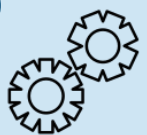
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**Strategic planning for climate resilient development**

4

**Climate resilient policy development**

# 1. How can strategic planning support a just transition and climate resilient development



**Issue:** Difficulties in aligning strategic plans and sectoral objectives of different time horizons results in a climate ambition and implementation gap

- > Climate resilience and justice are **not yet sufficiently prioritized in strategic planning and policy formulation processes**, nor in the allocation of financial and human resources.
- > **The fragmentation of the strategic international and national landscape** with regards to climate objectives (e.g global climate and biodiversity agenda, regional climate packages,...)
- > Strategic planning needs to account for and attempt to resolve inherent tensions between « winners » and « losers » of the transition



**Trend:** A better integration of climate resilient objectives through evidence-based prioritization processes

- > Links **between strategic planning and budget processes** (e.g green budgeting)
- > Deploying **common monitoring and evaluation (M&E)** arrangements to align strategies across temporal or geographical dimensions;
- > Breaking down **national level objectives into sectoral targets** to foster alignment between sectoral and national level strategies;
- > Promoting coherence between sectoral strategies and overcoming conflicts of interest through “**policy-bundling**” and “**systems-thinking**”.

# 1. How can strategic planning support a just transition and climate resilient development?



## Sample of Inspiring country practices



In **Ireland**, there is coexisting EU and national emissions reduction targets, accountability systems, reporting requirements and legal frameworks to guide climate actions, completed by a long-term legal and regulatory framework such as the Climate and Low Carbon Development Act 2021



**UK's Net Zero target** was established in 2019 with the objective of mainstreaming climate mitigation throughout government policy. Net zero is one of the limited policy priorities monitored by the PMO's delivery unit



**UK's Net Zero Strategy Directorate at BEIS** uses a systems approach to visualise how different parts of the net zero system are interconnected. This helps identify where to make changes in the system to achieve government priorities.



**Green budgeting in France:** Since 2020, France has published an annual "Environmental Impact Report on the State Budget" as an annex to the initial budget bill.

## 2. Climate resilient policy development for a just transition

### 2 key components

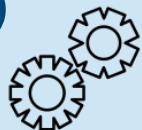


Articulating the **knowledge eco-system** underpinning climate policies



Engaging **stakeholders** in the development of climate resilient policies

## 2. Policy development: Managing the knowledge ecosystem for just and climate resilient policies



### Issue: Climate policy is a particularly knowledge intensive and complex policy area

- > **Guidance and quality standards** of the policy development process are not sufficiently tailored to adapt to successfully to climate resilient policy development objectives.
- > Just transition: **Policy development arrangements must have an inclusive scope** so as to not exacerbate economic and social inequality
- > Over-supply of information and an increased scepticism towards scientific knowledge makes evidence-informed policy making challenging



### Trend: Independent advisory bodies as knowledge brokers on climate resilient development

- > Creation of policy advisory bodies to independent findings, **bring a longer-term and evidence-based perspective to climate issues**, thereby strengthening climate governance and supporting policy credibility
- > Limit: **Limited evidence** exists to assess how governments are up taking the advice given by policy advisory bodies in climate-related decision-making processes

## 2. Policy development: **Managing the knowledge ecosystem for just and climate resilient policies**



### Inspiring country practices



**Danish Council on Climate Change** is charged with drawing up climate policy recommendations to promote an impartial perspective to Denmark's climate trajectory and **acts as a contributor to the public debate**



**The UK Climate Change Committee (CCC)** is an independent and public expert Committee tasked with advising climate national action and evaluating UK's progress towards its commitment to net zero emissions by 2050. The Government is mandated to respond to the committee's annual report, and make this response accessible to the public.

### 3. Policy development: **Engaging stakeholders in the development of climate resilient policies**



**Issue: Current engagement mechanisms to engage stakeholders are not sufficiently integrated within existing governance frameworks**

- > Widespread defiance and democratic fatigue
- > Policy dialogues can be perceived as **complex and time-consuming**
- > There is **limited evidence** on **how to sufficiently embed participation of stakeholders and citizens to generate meaningful participation**
- > Inclusive policy-, decision-making processes, are crucial to anchor government responses in **more legitimate governance approaches**



**Trend: Establishment of multi-stakeholder bodies for climate resilience**

- > **Stakeholder bodies for climate resilience** can be formal or informal, institutionalised or ad hoc, depending on the existing legal and regulatory framework of a given country and the type of issue discussed
- > The growing traction of **climate citizens' assemblies** as potential prototypes for longer-term infrastructure to engage citizens in national policy-making
- > Use of **digital tools and participatory budget mechanisms** to garner input from citizens

### 3. Policy development: **Engaging stakeholders in the development of climate resilient policies**



#### Inspiring country practices



**France's** 'Citizens' Convention on Climate' and **Ireland's** Citizen Assembly on Climate Change



**Luxembourg** participatory citizen's initiative (the 2022 Klima-Biergerrot)



In the **United States**, a climate assembly was created in 2021 in which 80 Washington residents deliberated about climate change solutions for consideration by the State Legislature.



In Portugal, the **introduction of a green participatory budget' mechanism** in Lisbon, in which citizens deliberate on the allocation and distribution of public resources

# ***THANK YOU FOR YOUR ATTENTION***

***For more information, please contact***

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