



Climate Governance

Assessing governments' ability and readiness to transform their countries into zero emissions societies

CAT Climate governance series

METHODOLOGY NOTE

September 2019

Climate Governance Series – Methodology Note

Introduction

In this **Climate Governance Series**, the Climate Action Tracker expands on its country analysis to evaluate the ability and readiness of national governments to enable the required economy-wide transformation towards a zero emissions society. The assessment analyses four aspects (hereafter referred to as ‘categories’) of governance readiness covering key enabling factors for effective climate action:

- the political commitment of the government to decarbonisation,
- the institutional framework it has put in place to achieve its emission reduction targets,
- the processes it has established to develop, implement and review mitigation policies, and
- its ability and willingness to engage with relevant stakeholders on policy development.

The national as well as one or two of the sectors critical to achieving deep decarbonisation within a country are assessed. The first round of analysis covers Argentina, Australia, Indonesia, Kenya, the Philippines and South Africa.

The objective of the Climate Governance Series is to highlight positive developments within countries, identify areas of improvement, and establish a basis upon which to compare climate governance across countries. It deepens the CAT’s level of analysis and provides a more complete picture of a country’s efforts to cut emissions and transition to a zero emissions society.

The Governance Series also seeks to offer a standardised and replicable approach to assessing a government’s ability and readiness to decarbonise. Analysing governance readiness is not as straightforward as analysing a country’s targets and mitigation policies. The methodology used here is a novel approach developed for this series and is thus still a work in progress. This document provides an overview of that methodology and its application. Feedback is welcome at info@climateactiontracker.org.

Framework Development

Developing a framework of critical elements for the successful and rapid transition to a zero-carbon society *ex ante* is a challenging and novel exercise. For one, there is no empirical evidence from which to draw on as no country has (yet) successfully decarbonised its economy (Ecologic Institut, 2017). Analysis of the implementation of climate mitigation efforts that have taken place to date - or the evaluation of the effectiveness of institutional and legislative frameworks - is also limited (Somanathan et al., 2014; Trollip, Torres Gunfaus, & du Toit, 2015). Country circumstances vary greatly, from the type of political system to the level of development. What may be a necessary criterion for success in one country may have little impact on the readiness of another.

The focus of the present assessment is on factors within the control of governments. While all levels of government and all facets of society will need to be involved in the transition to a zero emissions future, this assessment is examined through the lens of the national government. The approach assesses the government’s capacity to plan, deliver, and monitor the transformational change necessary for a carbon neutral world, as well as whether they have developed such plans and put in place the necessary governance framework to implement them.

The governance framework has been developed in an iterative process. A set of categories and corresponding criteria was developed based on existing literature and the CAT consortium’s experience with the development and implementation of climate and energy policy programmes. This framework evolved as it was applied to countries, and after consultations with in-country and technical experts. While not all factors are equally important for successful transition in each country, most of these factors will be required in many countries to enable a rapid transition. The more elements present, the greater the likelihood of success. Figure 1 provides an overview of the framework.

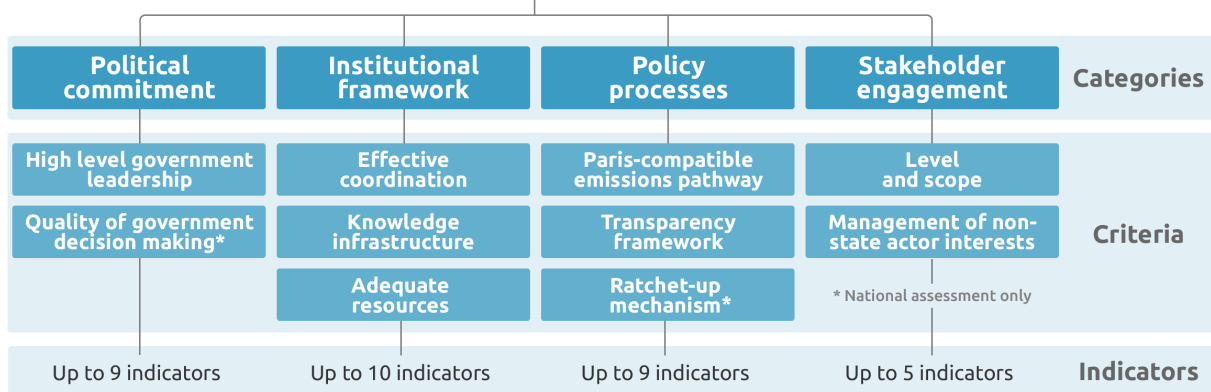


Figure 1: Outline of the Assessment Framework used in the Climate Governance Series showing the relationship between Categories, Criteria and Indicators.

In our assessment of the four categories, we divided each category into criteria, or success factors considered necessary for rapid decarbonisation, with a number of indicators developed to assess each criterion.¹ Each indicator is assessed according to the most suitable and accurate benchmarks (response options) available, defined by the project team and in consultation with international experts.

Figure 2 illustrates the structure of the Assessment Framework using the example of a “Passage of comprehensive climate mitigation-related legislation” which is one of the indicators used to evaluate the criteria on “Paris-compatible emissions pathway” within the overarching category of “Policy processes”.

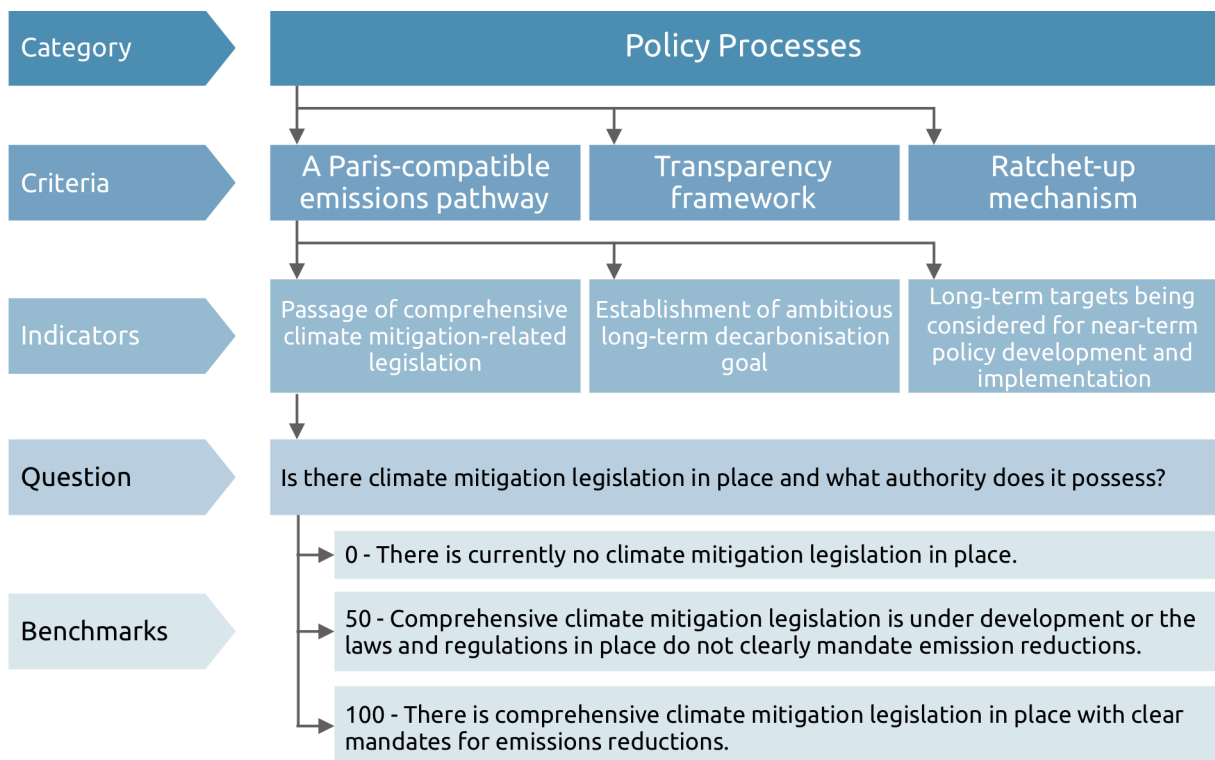


Figure 2: Structure of the Assessment Framework used in the Climate Governance Series

Table 1 shows the complete list of indicators assessed by Assessment Framework and which criteria and category they are listed under.

¹ The national-level assessment entails 33 indicators and the sector-level assessment 20 indicators.

Table 1: Summary of indicators assessed and which criteria and category they are listed under. Indicators with an asterisk * were added over the course of the project and not considered for all countries.

National-level Assessment	Sectoral-level Assessment
POLITICAL COMMITMENT	
High-level government leadership	High-level sector leadership
Commitment by head of state or government	Commitment by sector lead
Buy-in and ownership of government	Ownership and commitment by the relevant government institution
Influence of climate change lead agency on government	Influence of climate change lead agency on sector-decision making
Relative ranking of climate mitigation amongst other political issues	Mentioning of climate mitigation amongst other political issues
Demonstration of national climate policy actions internationally	
Quality of government decision making	
Continuity of the institutional structure leading on climate change activities	
Continuity of climate policy strategy	
Consistency of attitudes regarding climate mitigation within government and between government and opposition (where relevant)	
Accountability and transparency of government action	
INSTITUTIONAL FRAMEWORK	
Effective coordination	Effective coordination
Coordination of policy actions between national and subnational governments*	Coordination of policy actions between national/sector and subnational governments*
Coordination of policy actions between line ministries	Coordination of policy actions between sector agencies
Coverage of climate change in line ministries	
Alignment of line ministry policy actions with government mitigation strategy	Alignment of line ministry policy actions with national emission mitigation strategy (Mainstreaming)
Knowledge infrastructure (capable of supporting strategic planning and policy development)	Knowledge infrastructure (capable of supporting strategic planning and policy development)
Existence of an independent and authoritative institution to advise on decarbonisation efforts	
Availability of country specific analyses	Availability of sector specific analyses
Government consideration of decarbonisation analyses and advice	Consideration of decarbonisation analyses and advice by sector agencies

Adequate resources	Adequate resources
Adequate human capital in climate change lead agency	Adequate human capital in line ministry to implement mitigation policies
Dedicated budget for climate change lead agency	Dedicated budget for implementing mitigation policies
Continuity of staff and processes / ability to retain staff (length of stay) and procedures	Continuity of staff and processes / ability to retain staff (length of stay) and procedures

POLICY PROCESSES

Paris-compatible emissions pathway	Paris-compatible emissions pathway
Establishment of ambitious long-term decarbonisation goal	Establishment of ambitious long-term decarbonisation goal
Passage of comprehensive climate mitigation-related legislation	
Long-term targets being considered for near-term policy development and implementation	Long-term targets being considered for near-term policy development and implementation

Transparency framework	Transparency framework
Scope of transparency framework	Scope of sectoral transparency framework
Mandatory	
Transparency	Transparency
Financial/institutional independence of the review entity	
Effectiveness of the transparency framework, particularly the review process*	

Ratchet-up mechanism	
Existence of national ratchet-up mechanism	

STAKEHOLDER ENGAGEMENT

Level and scope	Level and scope
Content dissemination and generation of climate change related topics within the country	
Ensuring broad buy-in	Ensuring broad buy-in

Management of non-state actor interests	Management of non-state actor interests
Addressing negative externalities of a just transition	Addressing negative externalities of a just transition
Integration of non-state actor interests at risk from climate policy into policy making ("Regulatory Capture")	Integration of non-state actor interests at risk from climate policy into policy making ("Regulatory Capture")
Integration of non-state actor interests who profit from climate policy into policy making	Integration of non-state actor interests who profit from climate policy into policy making

Scoring

Each indicator is assessed according to specific benchmarks (response options). The different benchmarks offer insight into the extent the indicator was satisfied on a scale of 0 (lowest score) to 100 (highest) by means of three possible response scales (see example Figure 3). All indicator scores are weighted equally.

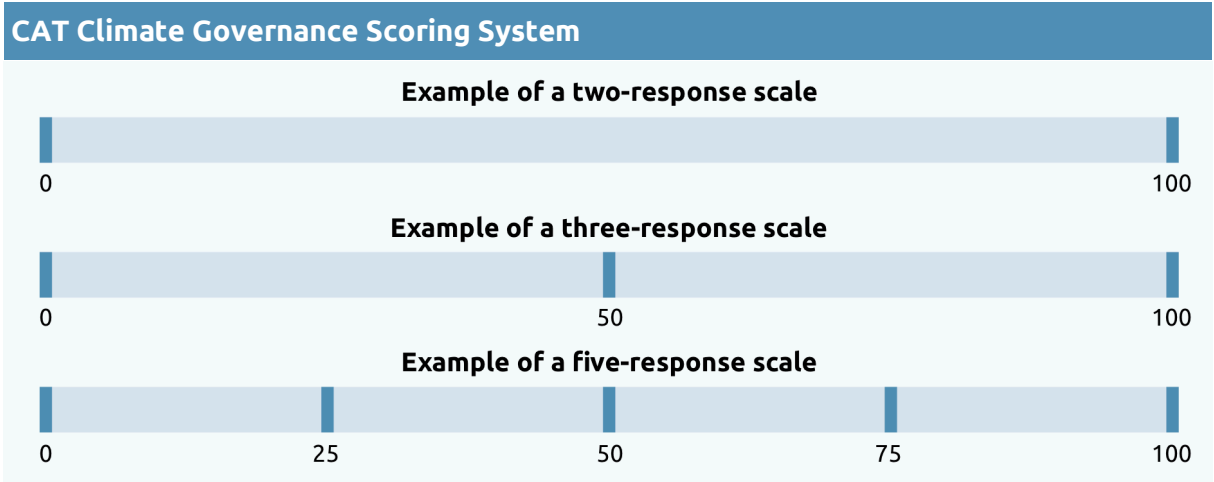


Figure 3: An overview of the scoring aggregation and meaning

The aggregation of the indicator scores determine the countries’ performance at the criteria level and the aggregation of the criteria scores determines the performance at the category level. The performance results of the criteria/category level assessments are displayed with color-coding in the country reports (see Figure 4).

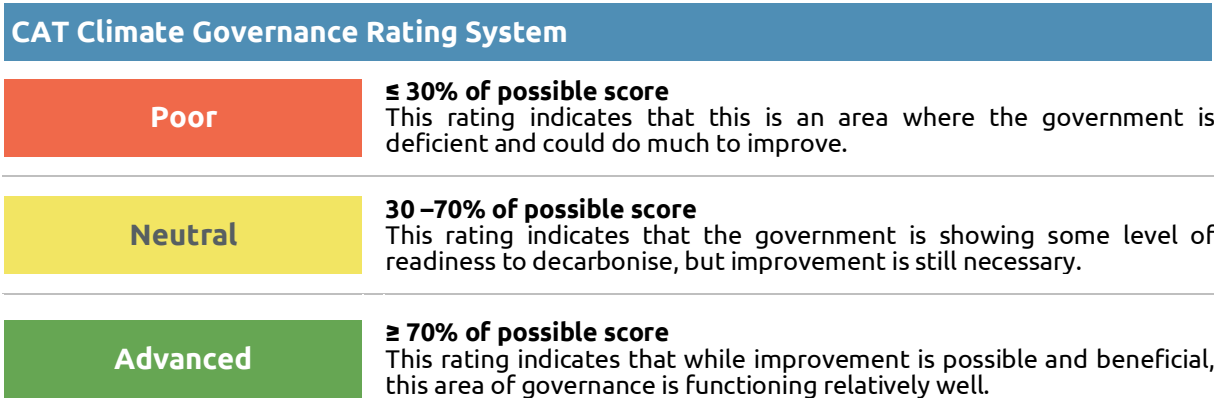


Figure 4: An overview of the scoring aggregation and meaning

Assessment Tiers

A **two-tiered methodological approach** was used for developing and applying the framework outlined above.

- The Tier 1 assessment was conducted by CAT consortium experts with in-country knowledge and was based on desk-based research and review of existing literature, available documents, and data.
- The Tier 2 assessment was conducted by in-country experts, who have more substantive local knowledge and can employ a greater diversity of qualitative research methods.

This two-tiered approach was adopted to compare and analyse the differences in results from the two methods and to glean lessons learned in order to be able to improve the robustness of the framework in future iterations.

All country case studies were assessed under the Tier 1 approach. Two countries, South Africa and the Philippines, were also assessed under the Tier 2 approach. For the case studies with both Tier 1 and Tier 2 assessments, the country narratives prioritise Tier 2 findings with additional detail from Tier 1 findings.

Bibliography

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