

The Role of Domestic Policy Surveillance in the Multilateral Climate Transparency Regime

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Shortcomings in Climate Transparency

- Lack of standardization in reporting across countries
- Misalignment between what is reported and what is needed
 - Measures of mitigation effort
 - Metrics for comparison
 - Policy learning
 - Domestic capacity building
- Disconnect between emission aggregates and domestic mitigation policies

Importance of Enhancing Domestic Policy Surveillance Capacity

- Reporting by national governments will be primary inputs to any multilateral transparency regime
- Move beyond technical guidelines for emissions
- IMF experience: standards for data collection and analysis and financial support for training
- Use tools in regulatory review and program evaluation in domestic climate policy surveillance

U.S. Experience with Regulatory Review

- 3+ decades of prospective review of regulations
 - Analog to ex ante review some call for in climate talks
- 3+ decades of irregular retrospective review of regulations
 - Analog to ex post review some expect in climate talks
- Annual comprehensive assessment of benefits and costs of federal regulatory policy
- Growing interest in prospective and retrospective review throughout OECD

Planning for Rigorous Retrospective Review

- Design policies such that their implementation produces data for ex post analysis
- Account for research design in policy development
 - Causal statistical analysis
 - Collect data to improve model calibration
- Provide opportunities for third party access to data for replication, extensions
- Recent recommendations by the Administrative Conference of the United States [here](#)

What Policies Work? And Why?

- Focus on explicit policy interventions
- Learn the efficacy, benefits and costs, and distributional impacts of policies
- Exploit multi-country evaluations in cases of multiple countries employing similar mitigation policy
- Train in-country experts to conduct retrospective analyses → tools and expertise could then spillover to non-climate public policies

Challenges

- Requires planning for the review
- Data collection
- Lack of technical capacity
- Bureaucratic risk aversion
- Policy advocates may “already know the answer”
- Synthesis and aggregation

Creating Incentives for Domestic Retrospective Review

- Donors should provide financial and technical resources (akin to IMF model)
- Identify and publicize best policy practices as well as best approaches to analysis
- Condition Green Climate Fund or bilateral climate finance on meeting minimum standards of domestic transparency and review