

CO-ORDINATION OF GREEN POLICIES AT THE CENTRE OF GOVERNMENT IN **ROMANIA** 

### OECD PUBLIC GOVERNANCE POLICY PAPERS



**OECD** Public Governance Policy Papers

# Co-ordination of green policies at the centre of government in Romania



# OECD Public Governance Policy Papers

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# Abstract

This policy paper analyses the current institutional mechanisms in place and under preparation in Romania to steer and co-ordinate policy development and action priorities relating to climate change. It also reviews the risks and opportunities for the newly created co-ordination mechanisms within the centre of government in this policy area, looks at how the co-ordination mechanisms for greening of the economy align with existing governance frameworks in terms of mandate, and discusses lessons learned from the framework for sustainable development. Drawing upon extensive consultations and peer input from OECD countries, this policy paper offers tailored recommendations for enhancing green governance in Romania.

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# Acknowledgements

This assessment of the co-ordination of green policies at the centre of government in Romania was prepared by the OECD Public Governance Directorate (GOV), headed by Elsa Pilichowski. It was developed under the strategic direction of Martin Forst, Head of the Public Governance Reviews and Partnerships Division, Sara Fyson, Head of the Public Governance Reviews Unit and Arnault Prêtet, Acting Head of the Public Governance Reviews Unit. The Review was led by Iván Stola and Simon Callewaert and drafted by Emma Phillips, Simon Callewaert, Iván Stola, Louna Wemaere, Javier Baraibar and Krzysztof Michalak with inputs from Elīna Pinto. Ciara Muller prepared the manuscript for publication and provided editorial assistance.

The OECD Secretariat wishes to express its gratitude to all those who made this work possible and to recognise the excellent collaboration with the Government of Romania. The leadership of Mircea Abrudean, both as current Secretary-General of the General Secretariat of the Government of Romania and in his previous position as Chief of the Chancellery; Marian Neacsu, former Secretary General of the General Secretariat of the Government: and the involvement of the technical teams and structures within the General Secretariat of the Government was essential for this Review. We would like to extend special thanks to Monica Giurgiu, Councillor in the Directorate for Coordinating Policies and Implementing Projects of the General Secretariat of the Government and her colleagues Anca Lupu, lacob Radu, Arina Susara who coordinated the Review in Romania and provided indispensable insights throughout the process. We would also like to thank László Borbély, State Councillor of the Government of Romania, Luminita Bălălău, Director of the Department for Sustainable Development, and Diana Achimescu, councillor in the Department for Sustainable Development from the Prime Minister apparatus for their continuous support. All the government interviewees and stakeholders deserve a special mention for their dedicated engagement, as do the officials who followed up their interviews to provide additional information to the OECD team. Their considerable insights and recommendations are integrated into every chapter of the paper.

The OECD would like to thank the public officials from the governments of Lithuania who generously took part in the process as peers. Most notably Aurimas Saladžius, Head of Sustainable Development and Strategic Change, Eimantė Lastovkaitė, Advisor of Sustainable Development and Strategic Change Group, Judita Liukaitytė – Kukienė, Head of Climate Change Policy Group, and Marilė Kosaitė, Chief Specialist of Climate Change Policy Group. Their contributions regarding good practices and lessons learned from their own countries are also integrated throughout the paper.

The OECD would also like to thank DG REFORM for its financial support and guidance throughout the project, in particular Daniele Dotto and Cristina Luchici. The action was funded by the European Union via the Technical Support Instrument, and implemented by the OECD, in co-operation with the Directorate-General for Structural Reform Support of the European Commission.

The paper benefitted from key contributions by the OECD Environment Directorate, and insights from other OECD teams currently supporting Romania in a wide range of policy areas: civic space, open government; public sector innovation; digital government and open data; and policy coherence for sustainable development.

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Governments increasingly deal with multi-faceted challenges on top of their traditional functions of promoting sustainable economic growth and ensuring the well-being of the citizens Over the last three years, addressing the COVID-19 crisis and the consequences of Russia's war of aggression against Ukraine have posed particular challenges. The growing climate crisis is another strategic issue that adds to the complexity of challenges. This context has underlined the importance of effective co-ordination mechanisms in dealing with trade-offs, across both policy areas and policy responses, between short-term needs and long-term priorities. Addressing cross-sectoral issues, such as climate change, and implementing government priorities in a coherent manner requires governance mechanisms that overcome traditional silos. To this end, governments need to rely on effective co-ordination mechanisms and instruments, legal frameworks and evidence-based policies that can lead to robust and coherent policymaking.

Romania's government has committed to achieve net zero emissions by 2050. With a significant share of coal and gas in the electricity and heat generation mix, more than a third of Romania's greenhouse gas (GHG) emissions fall under the EU-wide cap of the Emission Trading System (ETS). A goal of a 2% reduction in non-ETS GHG emissions by 2030 (compared to 2005) has been strengthened in line with the EU Fit-for-55 package. Romania is now required to reduce emissions by over 12% by the end of this decade. This is a challenging target, as emissions are projected to moderately increase under current and planned policy measures.

The European Semester process and the work done by the OECD (most notably the assessment of coherence and co-ordination at Romania's centre of government (OECD, 2023<sub>[1]</sub>) within the framework of the European Commission's DG REFORM Technical Support Instrument-funded project "Enhancing policy coherence, transparency, and co-ordination at the centre of the government in Romania") highlight the need to enhancing strategic and budgetary planning frameworks, policy co-ordination, and coherence in Romania. This policy paper on green co-ordination is part of the same framework project and provides proposals for strengthening the co-ordination mechanism for steering green public policies in Romania, based on good practices across OECD countries.

This policy paper analyses the institutional mechanisms in place and under preparation in Romania to steer and co-ordinate policy development and actions relating to climate change. It also reviews the potential risks and opportunities for the newly created co-ordination mechanisms within the centre of government in the "green" area, the alignment of co-ordination mechanisms in place for greening of the economy with the existing governance frameworks in terms of mandate, and lessons learned from the framework for sustainable development.

The OECD's analysis relies on responses to a detailed questionnaire by the Romanian centre of government, as-well as interviews (both in-person and virtual) with key stakeholders and governmental interlocutors with the involvement of expert peers from Finland, Iceland, Latvia, and Lithuania.

The policy paper is structured in the following way: Chapter 2 discusses co-ordination mechanisms and instruments to deliver on climate commitments looking at the role of the centre of government (CoG), open data, human resources, and vertical co-ordination. Chapter 3 covers the role of legally binding climate resilience frameworks to promote long-term policies, as-well as strategic planning and green budgeting. Chapter 4 analyses evidence-based climate resilient policy development focusing on data collection and

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analysis, citizen's and stakeholder engagement and climate mainstreaming in the policy development process.

The evidence and data collected for this Review contributes to the OECD's broader programme of work on effective, innovative, fit-for-the-future and digitally enabled government and citizen-centred services, and on reinforcing trust in government.

The action was funded by the European Union via the Technical Support Instrument, and implemented by the OECD, in co-operation with the Directorate-General for Structural Reform Support of the European Commission.

# 2 Harnessing co-ordination mechanisms and instruments to meet climate commitments

Despite an increased sense of urgency and proliferation of climate commitments at national and international levels, systemic reforms, both on the institutional level and in the broader environmental policy area, have not kept pace to translate Romania's ambition into concrete action. Indeed, the long-term and cross-cutting nature of climate change represents a unique and complex challenge for traditional government practices. Romania must endeavour to ensure that departments achieve whole-of-government objectives, do not duplicate each other's work, and do not implement policies with conflicting objectives. Governments can draw on institutional arrangements, intergovernmental co-ordination mechanisms (committees, networks, agreements), and the underpinning instruments and tools which enable these co-ordination mechanisms to function (instructions, guidelines, data). This section seeks to assess Romania's capacity to co-ordinate and meet climate commitments using these three levers.

## Defining clear mandates to overcome institutional fragmentation: The changing role of the centre of government

Climate change and the risks it presents to nature, people and infrastructure around the world can hardly be contained into a single ministerial portfolio. Its effects and drivers spread beyond administrative boundaries or jurisdictions and tend to require expertise from civil servants working across the public administration. Consequently, many national governments have struggled to organise themselves in recent years to steer, co-ordinate, and meet their domestic and international obligations.

Governments have often deployed a blend of institutional levers to manage the degree of complexity inherent to climate policy. These institutional levers can be divided into four types, which countries may use independently or layer as they see fit:

- Dedicated ministry of the environment
- Superministries
- Unit or leadership at the centre of government
- Line ministries

Romania is no different: its institutional framework to set and steer climate resilient policies involves many governmental agencies. The climate portfolio is currently primarily shared across the Presidential Administration; the Government Secretariat (GSG); the Prime Minister's Chancellery (PMC); the Ministry of the Environment, Water and Forests (regulatory and implementation functions); the Ministry of EU affairs (supervision and co-ordination of EU-led climate plans); and line ministries (see Table 2.1 and Annex A for more details). While this demonstrates the political significance of and Romania's engagement in the topic, the current system is fragmented due to insufficient co-ordination.

#### Table 2.1. Institutional framework for climate resilience in Romania

Type of institution	Institution
Dedicated ministry of the environment	Ministry of Environment, Water and Forests (MEWF)
Centre of government body with climate related responsibilities	Presidential Administration, Department of Climate and Sustainability
	Prime Minister's Chancellery, Department for Sustainable Development
	General Secretariat of the Government, Directorate for Policy Co-ordination and Implementation of Projects
Line ministry with climate related responsibilities	Ministry of Agriculture and Rural Development
	Ministry of Regional development, Public Works and Administration
	Ministry of Investment and EU Projects
	Ministry of Energy including the Department for Energy and Climate Transition (under development)
	Ministry of Transport and Infrastructure
	Ministry of Economy
	Ministry of Finance

Source: author's own elaboration.

Romania's mix of institutional arrangements is similar to that of many OECD countries. Indeed, 17 of the 38 OECD Member countries have established a dedicated ministry of the environment (some with related names such as Ministry of Ecological Transition, Ministry of environment and Climate, etc.), and 9 out of 38 OECD countries have assigned a unit at the centre of government (CoG) with explicit responsibilities related to climate policy (Kaur, M., et al., 2023<sub>[2]</sub>). Three OECD countries in particular have chosen the same blend of institutional arrangements as Romania with a dedicated ministry of the environment and responsibilities at the CoG: Canada, Estonia, and New-Zealand (see Box 2.1).

### Box 2.1. Institutional framework for climate policy in Canada and Estonia: Dedicated ministry and responsibilities at the centre

#### Canada

Responsibilities are shared between the Ministry of Environment and Climate Change, and the Climate Secretariat situated within the Privy Council Office.

#### Estonia

Responsibilities are shared between the Ministry of the Environment, and a small unit within the Government Office tasked with coordinating the green transition.

#### **New-Zealand**

Responsibilities are shared between the Ministry for the Environment, and the Climate Change Chief Executives board that reports to the Prime Minister.

Source: (Kaur, M., et al., 2023[2]).

The growing role played by the centre of government in leading and co-ordinating the climate agenda in Romania demonstrates a high degree of leadership and political will, which will be pivotal for effective action. Many stakeholders interviewed for this project highlighted the important role of the Presidential Administration's leadership in this area as a catalyst for change and progress. While most CoGs play some sort of indirect role related to climate action, a growing number of OECD Member countries have also started to explicitly allocate climate-related responsibilities to their centre of government. This trend can in part be explained by the 2015 Paris Agreement, which embodied a shift in the approach to mitigating and adapting to the effects of climate change by explicitly pointing to nation states as a key arena where action should be taken. Recognising the need for increased levels of co-ordination and coherence to deliver on their national and international commitments, many countries have thus come to rely more formally on their centre of government (Kaur, M., et al., 2023<sub>[2]</sub>).

Within the centre of Romania's government, the climate portfolio is shared across multiple institutions and units (see Table 2.1). Engaging a wide range of actors in climate action is important and helps to integrate climate considerations into sectoral policies and mobilise additional resources. However, if it is not well coordinated, there is a risk of fragmentation, gaps, and duplication. Additionally, as more responsibilities are placed at the centre, the analysis show that insufficient resources are allocated to these units to carry out their mandate. Moreover, line ministries in Romania have retained very substantial responsibilities in this policy area. For instance, the Ministry of Finance is flagged as responsible for certain climate-related objectives of the Recovery and Resilience Plan, including Component 6 on Energy and Reform 3 on green budgeting. Moreover, the Ministry of Energy has a highly strategic role to play, with a stated focus on energy security, the diversification of energy resources, and the promotion of energy efficiency.

Romania's mix of institutional arrangements to manage and co-ordinate climate resilience policy benefits from the institutional knowledge situated within the Ministry of the Environment. Nevertheless, while Ministries of the Environment often hold significant expertise and regulatory power, they often struggle to obtain political buy-in from other line ministries due to a lack of incentive and pressure mechanisms at their disposal which prevents them from steering and coordinating climate policies. This echoes feedback received from stakeholders that the OECD team met in the context of this project, in particular with regards to the Ministry's ability to disaggregate Romania's collective greenhouse gas (GHG) targets into sectoral and local targets, and their role as vice-chair of the Interministerial Committee on Climate Change.

Three dimensions were flagged as being particularly challenging for the Ministry of Environment, Water and Forests' ability to play a leading role in the Romanian government's response to climate change:

- The absence of a dedicated legal framework/climate law: a Climate Framework Law was drafted by the Ministry of Environment Water and Forests, which could be used to better assess and monitor line ministries' environmental performance. This bill has not yet been adopted.
- Limited capacity and expertise in a context of significant pressure imposed by EU-led priorities on climate change: the Ministry is not yet capable of aggregating Romania's GHG inventory in sectoral strategies and targets. Moreover, the Ministry lacks a clear cost analysis and data for social impact assessments to achieve a just transition.
- Limited political weight or leverage in negotiation and/or co-ordination efforts: as vice-chair of the Interministerial Committee on Climate Change, the Ministry's comparatively low political weight compared to the Ministry of Justice or Finance was highlighted as an obstacle, in particular when complicated trade-offs are needed.

The Ministry of Environment's role is further weakened by the very substantial but unclear climate-related responsibilities placed upon other ministries, in particular the Ministry of Energy, Ministry of Economy, and Ministry of EU Investments and Projects (see Table 2.1). Between the increase in climate-related responsibilities at the centre and the important role played by various line ministries in this policy area, the Ministry of Environment in Romania has a narrower role than in some other countries. As a result, the

### Ministry of Environment in Romania is largely focused on regulation and implementation, rather than strategic policymaking.

The Romanian government could benefit from clarifying and better communicating on the division of institutional responsibilities. The United Kingdom's approach in that regard could be of interest (Box 2.2). If applied in Romania, a more clearly defined framework highlighting the respective responsibilities of the Ministry of Environment, CoG units, and relevant line ministries would go a long way to improve the effectiveness of policy co-ordination and to foster ownership for all bodies responsible for climate policy. A clear division of labour at the centre of government, among the Presidential Administration, the Directorate for Coordinating Public Policies (DCPP) at the General Secretariat of the Government, and the Department for Sustainable Development, is particularly critical. In the absence of a Climate Framework Law, this work could potentially be carried in the context of the Inter Institutional Committee on Climate Change, to ensure the whole administration has a shared understanding of the allocation of responsibilities related to climate policy. Clear mandates generate more direct lines of accountability, and as such could be an essential factor in enabling Romania to develop and reach climate targets whilst following EU's net-zero trajectory.

#### Box 2.2. Clearly distributing roles and responsibilities in delivering the UK's Net Zero

The UK Climate Change Committee recommended, in its 2022 Annual Report to Parliament, that "the UK Government needs to clearly map out the different roles and responsibilities in delivering Net Zero. An example of good practice is the Infrastructure Strategy and its chart for distribution of roles and responsibilities. Cross-cutting guidance is required that sets out (i) what each actor's role is and who is responsible for what in delivering Net Zero between and in some cases within the Government's departments, as well as (ii) clearly identifying the unit with responsibility for coordinating and monitoring delivery across Government, and how this interacts with cross-Government structures such as the Climate Action implementation committee. This should abide by the following core principles:

- it should focus in stewarding the system and aim to delegate as much as possible to those with clear accountability for delivering;
- its activity and skill-base should be focussed on coordinating actions that are more complex and require a whole system-approach, not on actual delivery. A small, agile, dedicated team could be helpful to achieve this;
- it needs to have sufficient seniority/empowerment to be able to bring together and influence decision-makers across Government.

Source: (UK Climate Change Committee, 2022[3]).

As has happened in other policy areas to consolidate and strengthen decision making among important sectoral agencies, Romania might be tempted to merge the Ministry of Environment with another Ministry, bringing a number of related policy portfolios under one institution, so called Superministries. This is the case in Denmark for example, where the Ministry of Environment, and the Ministry of Food and Agriculture were merged into the Ministry of Environment and Food in an effort to balance the sometimes-competing interests of the environment (OECD, 2019<sup>[4]</sup>). However, this approach rarely brings more political gravitas. Superministries also carry other risks: the environmental or climate agenda can be subsumed by the other portfolio, or internal silos can remain in place. Institutional reforms of this scale should thus be approached with caution.

Finally, it is important to highlight that the CoG's growing role in steering and co-ordinating the climate agenda in Romania has widely been perceived as a net positive. For instance, stakeholders highlighted during the OECD's fact-finding mission that the strong engagement on the part of the Presidential

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Administration, matched by the commitment of the Directorate for Coordinating Public Policies (DCPP) within the GSG, have been determining factors in the success of the Inter-Institutional Committee on Climate Change, in contrast with past initiatives such as the now defunct National Commission on Climate Change. Nevertheless, in general, high-level political support tends to be volatile, especially with regards to climate policy. It will therefore be important to capitalise on the existing political momentum, for instance, by ensuring frequent high-level representation during the Committee meetings.

#### Bringing governmental stakeholders together

In this fragmented institutional and policy landscape, the definition of climate-related objectives and the implementation of climate action across stakeholders and agencies requires significant levels of expertise and co-ordination. One of the most widespread mechanisms for co-ordination and coherence in OECD Member countries are permanent bodies, such as interministerial or interdepartmental committees, councils, or working groups. These interministerial bodies can be deployed at the ministerial, senior management, or technical level. For instance, in the United Kingdom, the Climate Action Strategy Committee and the Climate Action Implementation Committee mobilise ministers or secretaries of state, while the Climate Change National Strategy Implementation requires the participation of senior officials or directors (see Box 2.3). The popularity and widespread use of committees as a means for co-ordination can be explained by the ease with which they can be established in most countries. Moreover, they appear to most as a straightforward mechanism to align policies, facilitate cross-sectoral arbitration and exchange of good practices. When these committees are chaired by the head of government, or require the participation of senior officials, they can also signal high level leadership and political will.

In Romania the primary forum for intragovernmental co-ordination regarding climate policy is a newly established Inter-institutional Committee on Climate (CISC). The Committee, which meets monthly, is chaired by the Prime Minister and supported by three vice-chairs: the head of the Prime Minister's chancellery, the head of the Climate and Sustainability Department within the Presidential Administration, and the Minister for the Environment, Water, and Forests (Government Decision of 29 of April 2022). It brings together 4 centre of government units, 13 Ministries<sup>1</sup>, and 3 governmental bodies<sup>2</sup>. The Committee's technical secretariat consists of staff from the GSG, in particular the Directorate for the Co-ordination of Policy and Priorities (DCPP), and the Department for Sustainable Development within the Chancellery.

The Government Decision that established the CISC highlights 7 primary objectives for this body:

- Ensure the consistency of public policies in sectors that may have an impact on climate change with existing national or international commitments;
- Define, analyse and monitor annual policy priorities in the field of climate change, to be submitted annually to the Government for approval;
- Analyse, monitor and evaluate the fulfillment of the measures set out in the National Integrated Energy and Climate Change Plan;
- Analyse, monitor and evaluate the degree of achievement of the objectives of the National Long-Term Greenhouse Gas Emissions Reduction Strategy;
- Analyse and monitor the application of the methodology for budgeting climate change initiatives;
- Analyse and propose indicators to measure Romania's climate commitments;
- Propose unified and coherent messaging on climate change, based on scientific data.

Stakeholders interviewed for this project were broadly satisfied with the CISC agenda-setting process, the regularity of meetings and their follow-up, as well as the CISC's decision-making ability. The committee was designed a central cross-sectoral forum for early warning, co-ordination and priority-setting in the area of climate change mitigation and adaptation and constitutes a credible arena for the co-ordination of green

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policies. The interviews further underscored the importance of the high-level political support from the President, and the Prime Minister towards this Committee in driving unprecedented collective institutional efforts and awareness to support Romania's climate objectives. As a milestone of the country's National Recovery and Resilience Plan, the government also had a strong incentive to establish this co-ordination mechanism and encourage participation.

However, the CISC's effectiveness in mediating or arbitration of tradeoffs remains to be tested in practice, in particular in a more technical formation below the Prime Minister's level. The ongoing work on climate priority-setting for 2023 will represent an initial test of this function. Moreover, the process of priority-setting itself under the auspices of CISC could benefit from more guidance by the GSG in terms of the requirements for priority proposals (template for their substantiation and measurability, evaluation criteria with regard to overall strategic framework, etc.). The initial efforts to carry out this priority-setting exercise were indeed hindered by a discrepency between the expectations of the chairs and the technical secretarity, and the initial priorities submitted by line ministries.

In addition to the CISC, Romania possesses a large variety of parallel horizontal co-ordination fora around climate policies, under the lead of various institutional actors. These include, among others:

- The international position finding body within the President's Office whose outcomes guide Romania's representatives in international negotiations, ensuring a coherent and effective approach to shaping international climate agreements and policies.
- The integrated climate change working group led by the Presidential Administration.
- The Interdepartmental Committee on Sustainable Development (ICSD led by the Prime-Minister and supported by the Department for Sustainable Development as it's secretariat.
- The Committee on the Implementation and co-ordination of Romania's Recovery and Resilience Plan, including "green" components, under the leadership of the Ministry of EU Affairs.
- The interministerial committees led by line ministries: for instance, the Ministry of Agriculture and Rural Development discusses climate issues relevant to their portfolio with other ministries in their "own" committee.

The existence of multiple co-ordination bodies presents risks of overlaps, parallel reporting lines and incoherence. It also creates a challenge to the ability to provide the CISC with sufficient political weight and decision-making power. Of course, Romania is not alone in this challenge. Many countries also face difficulties in linking committee decisions or recommendations with decision-making due to the proliferation and sheer number of committees working on a wide range of issues in the country. The multiplication of climate related Interministerial bodies thus risks enhancing the fragmentation of environmental and climate governance if governments do not ensure their articulation.

In an effort to streamline climate related intragovernmental co-ordination and decision-making the Government of Romania could envisage bringing some of the parallel co-ordination mechanisms under the fold of the CISC. The Government Decision that established the CISC does envisage the possibility of creating working groups at a technical level if needed. Formalising and hierarchising the links between existing intragovernmental committees related to climate policy by transforming some of them into working groups attached to the CISC could make the system more effective. Moreover, creating the opportunity for co-ordination at a more technical level in working groups, could also help mainstream climate issues across the administration and help avoid overextending the capacity of line ministries to contribute effectively and meaningfully to this arena. The examples of the United Kingdom and Singapore provide useful guidance in this regard (see Box 2.3 and Box 2.4).

#### Box 2.3. Whole-of-government co-ordination structures on climate change – United Kingdom

In October 2019, the UK Prime Minister created and chaired the Cabinet Committee on Climate Change. In June 2020, the Prime Minister split this committee into two: the Climate Action Strategy Committee and Climate Action Implementation Committee (Institute for Government, 2020). These committees are both meant to convene senior officials from over a dozen departments, bimonthly, to discuss cross-cutting issues relating to the government's approach to climate change.

The Prime Minister chairs the Climate Action Strategy Committee, which is mandated "to consider matters relating to the delivery of the U.K.'s domestic and international climate strategy" (UK Cabinet Office 2020). The Climate Action Strategy Committee has six departmental members: the Chancellor of the Exchequer; the Secretary of State for Foreign, Commonwealth, and Development Affairs; the Minister for the Cabinet Office; the Secretary of State for Business, Energy, and Industrial Strategy; the Secretary of State for Environment, Food, and Rural Affairs; and the Minister of State for Pacific and the Environment.

The Climate Action Implementation Committee, meanwhile, considers "matters relating to the delivery of COP26, net zero and building the U.K.'s resilience to climate impacts" and is chaired by the Minister for Business, Energy, and Industrial Strategy. Membership includes all the Climate Action Strategy Committee members (except for the Minister for the Cabinet Office) as well as the Secretary of State for International Trade, and the President of the Board of Trade; Secretary of State for Work and Pensions; Secretary of State for Housing, Communities and Local Government; Secretary of State for Transport; and the Secretary of State for Scotland (UK Cabinet Office 2020). In this committee, there is concern regarding whether the Department of Business, Energy, and Industrial Strategy "has sufficient influence to ensure other parts of government take enough action in their areas of responsibility" (UK National Audit Office 2021). However, both committees provide a forum for high-level leadership to coordinate.<sup>3</sup>



#### Figure 2.1. Whole-of-government structures in the UK

In 2021, Number 10 set up the Prime Minister's Delivery Unit, which is designed to implement the core objectives of the Government as identified by the Cabinet. Net Zero is one of these objectives. As analysed by the UK Climate Change Committee in its annual report to the UK Parliament, "Net Zero sits alongside four other major ambitions, which will stretch the resource and expertise of the Delivery Unit. The

Government should explore opportunities for synergies between these ambitions and relevant structures and should make clear how any conflicts will be managed".

Source: (UK Climate Change Committee, 2022[3]), figure adapted from (UK Climate Change Committee, 2022[3]).

#### Box 2.4. Inter-ministerial committee on climate change in Singapore

In Singapore, the Inter-Ministerial Committee on Climate Change (IMCCC) enhances whole-ofgovernment co-ordination on climate change policies. Established in 2007, IMCCC is chaired by the Senior Minister and Coordinating Minister for National Security. It also includes the Deputy Prime Minister/Minister for Finance and Minister-in-charge of Strategy Group, Minister for Sustainability and the Environment, Minister for Foreign Affairs, Minister for Trade and Industry, Minister for Transport/Minister-in-charge of Trade Relations, Minister for National Development, Minister of the Prime Minister's Office/Second Minister for Finance/Second Minister for National Development.

The National Climate Change Secretariat (NCCS) established under the Prime Minister's Office (PMO) acts as the secretariat to the IMCCC.



### Figure 2.2. Committees and Work Groups Addressing Singapore's Climate Change-related Issues

The IMCCC is supported by an Executive Committee (Exco) comprising the permanent secretaries of the respective Ministries. The IMCCC Exco oversees the work of the Long-Term Emissions and Mitigation Working Group (LWG), Resilience Working Group (RWG), Sustainability Working Group (SWG), Green Economy Working Group (GEWG) and Communications and Engagement Working Group (CEWG).

Source: (National Climate Change Secretariat of Singapore, 2023<sub>[5]</sub>); figure adapted from (National Climate Change Secretariat of Singapore, 2023<sub>[5]</sub>).

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While high-level co-ordination fora such as the CISC can signal strong political will, they can sometimes veer more towards communication than operational alignment (France Stratégie, 2022<sub>[6]</sub>). To promote a culture of accountability within this forum, and foster concrete change and alignment, the government could strive to increase visibility on CISC work agenda and policy priorities. The planned establishment of a dedicated technical secretariat to further support the analytical work of the CISC will be crucial to ensure the committee can deliver on its more technical and operational objectives. This technical body could help to work out an 'action' roadmap of the CISC, clearly outline the timeline, associated objectives/outputs for all participants and commit to the publication of an 'information' report to the intention of whole-of-government to ensure information-sharing and transparency on the climate agenda, thereby clarifying lines of accountability and reinforcing the perception of high-level political support.

# Key tools and instruments underpinning intragovernmental co-ordination for climate action: open data and human resources

In the past twenty years, the demand for quality environmental data has drastically increased due to the multiplication of international agreements. Reporting requirements under the Paris Agreement include information and data related to adaptation and mitigation efforts, capacity-building, technology transfers and financial flows. The information needs underlying these reporting requirements intersect with those of other related agendas: the Sendai Framework for Disaster Risk Reduction, the 2030 Agenda for Sustainable Development, the New York Declaration on Forests, etc. Despite rising demand, countries often struggle to allocate sufficient human and financial resources to progress the development of climate change related statistics (UNECE, 2021<sub>[7]</sub>). Beyond resources, environmental and climate-related data at the national level is often unavailable, fragmented across various sources, or not made available in formats that facilitate its comprehension and reuse for decision-making purposes (UNECE, 2021<sub>[7]</sub>).

Romania made progress both in generating the relevant necessary data, and in managing and sharing data across sectors and institutions. For example, the National Statistics Institute has conducted extensive data surveys and quality assessment for "green indicators" in the framework of developing National SDG indicators. In line with the National Recovery and Resilience Plan (NRRP) operational arrangements, a specific digital platform is currently developed for climate change indicators, to be integrated with the Institutional Strategic Patform to assess how Institutional Strategic Plans and climate change priorities are aligned. Tools like the NRRP dashboard and the Sustainable Development Indicators could also be built upon to foster more transparency and openness regarding the green transition.

However, further deployment of information for decision-making is hampered by the lack of data at the level of creators of data and limited data interoperability. Another example relates to the ongoing revision of the Energy and Climate Strategy, which will need to provide a clear path for Romania to phase out coal. This will require a very technical analysis of Romania's capacity to orchestrate the energy transition and rely on precise data regarding how residents heat or cool their housing. Since this information is under the remit of local authorities, this analysis comes with tremendous transaction costs. Likewise, stakeholders interviewed in the context of this review highlighted difficulties in enabling a "Just Transition", which refers to the principle of ensuring a smooth and equitable transition towards a low-carbon economy while safeguarding the well-being of workers, communities, and the broader society.

In many cases, existing institutional arrangements do not allow for the timely and efficient flow of information due to, among other factors, lack of mandates to share data across agencies and reliance on informal data sharing mechanisms (Grinspan and Worker, 2021<sub>[8]</sub>).Improving the availability and accessibility of climate-related data and information in Romania will thus be necessary to lead a whole-of-society response to climate change.

To achieve this, data use needs to be supported by a solid institutional framework and arrangements for open data, and the generation and management of environmental data. Two areas of opportunity in

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that regard appear relevant for Romania: firstly, the National Statistics Institute could benefit from a stronger mandate and commitment regarding collection of climate and environmental data. The example of Poland, where its National Bureau for Statistics is doing great work collecting and presenting green statistics can offer an inspiring practice. Secondly line ministries could benefit from dedicated statistical units. Beyond the institutional structure in place to lead open data efforts, a shared environmental information system requires an appropriate regulatory and legal framework for open data. Lastly, the CISC, with the strong support of the National Statistics Institute could endeavour to develop a coherent open data Action Plan for environmental information.

The Government of Romania could also consider tailoring its public employment and management strategy to enhance data literacy and modelling capacity through dedicated hiring and training policies at line ministries and by avoiding the overreliance on external consultants to ensure the build-up of internal knowledge. The aim should be to develop a minimum level of competence across all ministries to conduct analysis, and gain knowledge of modelling statistics. This will also enable internal staff to derive more added value from external consultants, by better framing their own expectations, quality checking the products they receive, and having the confidence to know what questions to ask.

In addition to data literacy and modelling capacity, a shortage of specialised expertise across public administration and overall was identified as a major challenge for green policy design and implementation in Romania. Strengthening the climate portfolio in the forthcoming training of the SDG specialists could mitigate this in the medium term. Nevertheless, reinforcing public service attractiveness will also be important aspects for attracting knowledgeable professionals to public administration, as they are equally sought by the private sector. As mentioned above, a rationalised use of external expertise would also contribute towards addressing this problem.

Beyond an assessment of the underpinning open data institutional and legal framework in a given country, governments rely on web-enabled technical infrastructure to enhance the quality and coherence of environmental data and its use in decision-making processes (European Environment Agency, 2020[9]). Romania possesses an open data platform: data.gov.ro, however it only presents 3 data sets under the "environment" tag, all related to Air Quality Measurements.

Should Romania wish to bolster the availability and visibility of climate and environmental data, three approaches could be envisaged as in countries such as United Kingdom. Even though Romania has a similar approach to keeping environmental and climate data on the governmental portal, The UK keeps a broader number of relevant data sets under the "environment categories. (Box 2.5). Other countries have established Ecoportals to complement rather than replace Open Data Portals and ease the exchange of datasets. Ireland for instance is considered to have developed mature Open Data Portal and Ecoportal (Box 2.6).

While many OECD countries have Open Data Portals, and oftentimes a distinct Ecoportal, performance information and data on government's progress towards environmental and climate objectives is rarely found in the same place, if available at all. In Ireland, despite the existence of the aforementioned portals, information on progress made by the government in reaching specific climate targets is found on a different website altogether<sup>4</sup> and is presented under the form of a slideshow. A more comprehensive online dashboard to monitor government progress in implementing its environmental objective can be found in Scotland, or in Estonia (Box 2.7).

#### Box 2.5 Environmental data streamlined in the E-Government portal in the United Kingdom

The UK government provides a portal (gov.uk) for accessing government services and Open Data. GOV.UK is the main portal of the UK government. Access to e-government services is provided through the individual registration to service, or through the usage of gov.uk Verify.

The environmental domain is reflected in a separate section 'Environment and Countryside'. An extensive list of environment-related eservices and additional information and advice is provided to the users, for example:

- guidance on coastal erosion;
- boat registration;
- fishing permits;
- reporting dead/stranded or wounded animals;
- land contamination;
- protected areas land management and others.

Source: (European Environment Agency, 2020[10]).

#### Box 2.6. Ireland's ecoportal and Open Data Portal

#### **Open Data Portal in Ireland**

Data.gov.ie is intended to provide easy access to datasets that are free to use from several policy domains. The portal is operated by the Department of Public Expenditure and Reform. The portal provides good functionality and user experience. The portal presents 14 categories of datasets at the landing page with the category 'Environment' containing more than 3418 datasets. The portal also contains other relevant categories, such as "Energy" and "Agriculture, fisheries, forestry and food".

### Single web-access to environmental information in Ireland: The Environmental Protection Agency's ecoportal

The environment portal in Ireland provides access to all environmental information, licensing and permitting, enforcement regulations, monitoring and environmental assessment data, research and education as well as key publications. The portal also provides access to videos, news and events and has a section for contacting the portal administrators. the portal is a good example of single web-access point for environmental information.

Source: (Open Data unit, Government of Ireland, 2023[11]); (European Environment Agency, 2020[10]).

### Box 2.7. Scotland and Estonia portals to monitor progress towards climate and environmental objectives

#### Scotland

A more comprehensive online dashboard to monitor government progress in implementing its environmental objectives can be found in Scotland's new Open Data Porta, www.data.gov.scot, currently under development. The portal's Environment Strategy Monitoring Framework section contains the following information a: dashboard summarising the status of each indicator, an overview of the environment strategy, an environment outcomes hub summarising the initial monitoring framework, a technical information hub, a page to download the available data.

#### Estonia

Estonia's « tree of truth » portal presents key indicators of importance for the country, including the environment. The indicators are directly related to the country's existing strategies, in particular the "Estonian National Strategy on Sustainable Development", "Estonia 2035", and the Action Plan of the Government of the Republic. The indicators are clearly colour coded to communicate the government's progress on its stated goals.

Source: (Scottish Government, 2022[12]) ; (Government of Estonia, 2023[13]).

#### Empower local action through accrued vertical co-ordination

Municipalities and subnational authorities are at the forefront of implementation of climate mitigation and adaption actions (OECD, 2019<sup>[14]</sup>). However, when they are often left to act alone, their full potential remains underused. Local governments are estimated to have direct power to cut up to one-third of GHG emissions in their cities, with the remaining two-thirds of urban emission reductions depending either on national and state governments or on co-ordination across levels of government (OECD, 2022<sup>[15]</sup>). In this sense, national governments can play a key role in enabling and supporting local governments to drive climate resilient policies.

As in many other countries, the effectiveness of climate action in Romania hinges in part on the government's ability to involve and mobilise the local government. In doing so, the Government of Romania currently face 3 primary challenges: a lack of vertical co-ordination mechanisms, limited guidance to design and implement local level initiatives, and insufficient financial incentives to do so. Although subnational administrations play a crucial role in the implementation of green policies and funds in Romania, co-ordination arrangements with them are sub-optimal. The existing co-ordination formats do not systematically include representatives of local governments. Delivering on national climate commitments will require further systematic work to elaborate local level plans and ensure data provision. The absence of an effective co-ordination platform with local actors hampers the action capacity of the government to steer and implement climate policy.

To foster more effective and meaningful co-ordination with the local level, Romania could envisage the creation of a dedicated and permanent vertical co-ordination structure, similar to the Unified State-Regions Committee in Italy, or the Local Net Zero Forum in the United Kingdom. This vertical co-ordination structure could be formally linked to the CISC.

In addition to the creation of a dedicated arena for co-ordination (see Box 2.8), Romania could establish a cooperative agreement between the national government and local authorities, wherein local authorities

would commit to implement certain environment- and climate-related measures, as is the case in Luxembourg (see Box 2.9). The national government could also help support the development of a network of climate champions at the municipal, to promote knowledge-sharing, peer exchange, and ownership at the local level (see Box 2.10).

#### Box 2.8. Permanent vertical co-ordination structure in Italy and the UK

#### Italy

In Italy, a new forum including all regional authorities has been established under the umbrella of the Unified State-Regions Committee, to coordinate climate resilience policy actions at the regional and sub-regional levels<sup>5</sup>.

#### **United Kingdom**

In the Net Zero Strategy of 2021, the UK Government also outlined its commitment to enable local areas to deliver net zero and set clearer expectations on how central and local government interact in its delivery. To this effect, a decision was taken in 2022 to establish a Local Net Zero Forum, bringing together senior officials from national and local government on a regular basis to discuss policy and delivery options.

In addition, a Local Net Zero Programme has been set up to support local authorities and communities across England in building capability and capacity to meet net zero. Almost £22 million has been invested in the programme to date, including funding for the creation and continuing support of five Local Net Zero Hubs. The Hubs promote best practice and support local authorities to develop net zero projects that can attract commercial investment.

Source: (Russel, 2020[16]); (UK Climate Change Committee, 2020[17]).

#### Box 2.9. Multi-level agreement: the Climate Pact in Luxembourg

In Luxembourg, the Climate Pact has helped improve co-ordination between the central and local governments and encouraged municipalities to take actions in line with national climate mitigation commitments.

The Climate Pact is a co-operative agreement through which local governments commit to implement certain environment- and climate-related measures. In return, they receive government financial and technical assistance, as well as an environmental certification.

Launched in 2012, the Climate Pact aims to strengthen the exemplary role of municipalities in climate policy, to reduce GHG emissions and energy use, and to stimulate investment at local level. In 2021, the government renewed the design of the pact to reward more quantitative results (Pacte Climat 2.0).

The Climate Pact is a co-operative agreement. Each participating municipality commits to hire a climate adviser; it also commits to implement an energy management system and a number of the 64 measures in a catalogue. There are six categories of measures: spatial planning and development; municipal buildings; resource management; mobility; internal organisation; and co-operation. Municipalities can be awarded a certification within the framework of the European Energy Award based on the number

of implemented measures. There are four levels of certification: 40%, 50%, 65% and 75% of the maximum score. The 65% level was added with the new version of the pact.

Source: (OECD, 2020[18]).

#### Box 2.10. Partners of Climate Protection in Canada

Managed by the association of Local Governments for Sustainability (ICLEI) and the Federation of Canadian Municipalities (FCM) and supported through federal funding, the Partners of Climate Protection (PCP) is a group of over 500 Canadian municipalities that make use of the program's five-step Milestone Framework in order to take direct action against climate change.

The PCP program helps provide funding resources, which it received from the Government of Canada and ICLEI Canada to member municipalities that are developing climate change actions plans, and therefore has driven a significant amount of climate change planning at the municipal level throughout Canadian cities.

Source: (Partners for Climate Protection, 2023[19]).

The Government of Romania could also envisage building on existing capacity to enhance the support available to the local level in the implementation of green policies. For example, the National Environmental Protection Agency (NEPA), which is the country's primary regulator with regards to environmental protection, according to art. 8 of GD 195/2005 on environmental protection approved with amendments by Law 265/2006, could play this role. The agency is placed under the authority of the Ministry of Environment, Water and Forests and has a strong presence at the local level, with representation in every county via County Environmental Protection Agencies (CEAPs). The CEAPs are public institutions with legal personality, subordinated to the NEPA, financed from the state budget (European Committee of the Regions, 2023<sub>[20]</sub>). They carry out, at county level, the tasks of the National Agency for Environmental Protection, respectively: implementation of policies, strategies and legislation in the field of environmental protection at the county level, environmental impact assessment of certain public and private projects in accordance with Law no. 292/2018.

With robust representation at the country level, the NEPA could become a lynchpin of effective vertical coordination, enabling the government to tap into currently unused protection. The role played by the ADEME in France could be of interest in that regard (Box 2.11).

#### Box 2.11. Agence de la Transition Écologique (ADEME) in France

In France, the ADEME provides local support through 17 regional offices and 3 territorial representations in mainland France and the French overseas territories. The agency offers a range of services adapted to local issues and implement integrated approaches, consistent with local public policies, in particular with the Contracts for Recovery and Ecological Transition (CRTE).

The Agency thus supports local authorities in their climate-air-energy, circular economy and development strategies, through numerous programmes and labels. The aim is to help them become sustainable, attractive territories that promote eco-responsible behaviour.

The Agency's support to local government is structured around 5 pillars:

- Information and awareness raising practical guides, studies, newsletter, data (datagir.ademe.fr).
- Training: over 100 training available, including for instance how to develop a local action plan on circular economy.
- Networking: national and regional events, close co-operation with existing networks, opportunity to meet peers and support in identifying the right interlocutors.
- Expertise: local governments can benefit from the agency's expertise and technical tools before setting up projects, be guided and prioritise and prioritise the changes in your territory.
- Financial support.

Source: (ADEME, 2023[21]).

Romania's climate and energy strategy will also need to integrate dedicated budget for local action and ensure joint collaboration and reliable engagement platforms between centralized government authorities in charge of climate and local government actors (see Box 2.12).

#### Box 2.12. Financial incentives for the local level across a selection of countries

Intergovernmental fiscal transfers can be an effective way to promote climate sensitive public investment at the subnational level and an array of countries have already put these arrangements in place.

- India: The current weighted index formula for the equalisation grant for the poorer states in India uses a number of variables including population and land area as approximation of the states' expenditure needs. One variable provides funding on the basis of the extent of forest areas in the states, encouraging environmental conservation and locking in GHGs.
- **Portugal**: In its 2007 Portuguese Local Finances Law (LFL) it introduced an ecological fiscal transfer for land conservation. The transfer provides significant incentives for those local governments that set aside a large proportion of their land under protected status.
- United Kingdom: Local authorities can bid for dedicated grant funding for work related to climate change targets. Additionally, local authorities can also make use of wider funding instruments that is targeted at other or more general outcomes, but which require, encourage or allow climate change spending<sup>6</sup>.
- Luxembourg: The government provides financial assistance and technical support, the latter through my-energy (a government body providing information and assistance on energy

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efficiency and renewables). The state covers the costs of climate advisers and technical assistance. Luxembourg's Environmental Protection Fund subsidises municipal projects linked to implementation of the pact. Certified municipalities receive an annual subsidy of between EUR 10-45 per inhabitant (with a ceiling of 10 000 inhabitants) depending on the certification level. The variable subsidy declines over time.

Source: (OECD, 2018[22]).

# Recommendations to leverage co-ordination mechanisms and instruments to deliver on climate commitments in Romania

#### Overcome institutional fragmentation

- Define a clear institutional framework for climate policies that clarifies the respective responsibilities of the CoG units such as the Presidential Administration, the Directorate for Coordinating Public Policies and International Projects within the GSG, and the Prime Minister's Chancellery, the Ministry of Environment and other relevant line ministries (the Ministry of Energy, Ministry of Economy, and Ministry of EU Investments and Projects) to increase the effectiveness of policy co-ordination and to foster ownership for all bodies responsible for climate policy:
  - A clear division of labour at the centre of government, between the Presidential Administration, the Directorate for Coordinating Public Policies and International Projects at the General Secretariat of the Government, and the Prime Minister's Office.
  - The discussions and co-ordination of the climate policies could be best carried out in the context of the Inter-institutional Committee on Climate Change, to ensure the administration as a whole has a shared understanding of the allocation of responsibilities related to climate policy.
  - Ensure a well-defined and focused role for the Ministry of Environment and strengthen its available resources and technical expertise. This way it can be able to do cost analysis and provide data for social impact assessments to achieve a just transition rather than being responsible for developing climate policies.

#### Bring governmental stakeholders together

- Build further on the good work within the Inter-institutional Committee on Climate Change (CISC):
  - Continuous high-level political support from the President, and the Prime Minister is crucial for further driving unprecedented collective institutional efforts and awareness to support Romania's climate objectives, concretely ensure continuous high-level representation in the CISC.
  - Strengthen the technical formation below the Ministerial level by targeting well-placed technical experts in the participating entities.
  - The GSG should give the CISC more guidance in terms of the requirements for priority proposals, this can be done through dedicated templates for their substantiation and measurability, evaluation criteria with regard to the overall strategic framework, etc.). This

avoids a discrepency between the expectations of the chairs and the technical secretarity, and the intial priorities submitted by line ministries.

 Consolidate co-ordination of the climate policies under the fold of the CISC as envisaged in its establishing Government Decision and create working groups at technical level. In doing so this formalises and hierarchises the links between existing intragovernmental committees related to climate policy.

#### Leverage open data as a key tool underpinning co-ordination

- In line with the National Recovery and Resilience Plan's (NRRP) operational arrangements, continue work on developing a specific digital platform for climate change indicators, to be integrated with the Institutional Strategic Patform to assess how Institutional Strategic Plans and climate change priorities are aligned.
- Make use of existing tools like the NRRP dashboard and the Sustainable Development Indicators to foster more transparency and openness regarding the green transition.
- Strengthen data-operability and local level data under the auspices of the National Statistical Institute; this can be done through:
  - The establishment of data standards: developing and implementing common data standards that facilitate the exchange and sharing of climate-related data across different systems, sectors, and agencies. These standards should ensure compatibility, consistency, and coherence of data, making it easier to aggregate, analyse, and compare information.
  - Enhanced data infrastructure: invest in improving data infrastructure, including data collection, storage, and management systems. This involves upgrading existing infrastructure or developing new platforms that can handle large volumes of data and enable real-time monitoring and analysis.
  - Foster data sharing and collaboration: encourage data sharing and collaboration among different stakeholders, including governmental actors, research institutions, businesses, and civil society organisations. This can be achieved through partnerships, data-sharing agreements, and the establishment of dedicated platforms.
  - Promote open data initiatives: encourage the release of open data related to climate change and environmental issues as this enables public access to relevant information, fosters transparency, accountability, and innovation.
  - Build capacity and skills: invest in building the capacity and skills of policymakers and technical staff to work with climate-related data effectively. Training programs, workshops, and knowledge-sharing platforms can help enhance data literacy, analytical skills, and understanding of climate issues.
  - Engage in international collaboration and knowledge exchange on data interoperability for climate policies. This can be done by engaging with other countries and international organisations (such as the EU, OECD, and the UN) to facilitate peer learning, the sharing good practices, and the harmonisation of data standards at a global level.

#### Leverage human resources as a key tool underpinning co-ordination

- Address the shortage of specialised expertise in climate-related matters within the public administration by:
  - Reinforcing public service attractiveness in order to attract knowledgeable professionals towards the public administration, especially as specific climate profiles are equally sought after by the private sector. This can be done through competitive compensation,

professional development and training, more flexible working arrangements, merit-based recruitment, more empowerment and autonomy, and strengthened well-being.

- Developing targeted recruitment strategies to attract professionals with specialised expertise in climate-related areas.
- Investing in professional development programs that focus on building climate-related expertise (ex. training courses, workshops, seminars). Strengthening the climate portfolio in the forthcoming training of the SDG specialists could mitigate this in the medium term.
- Foster knowledge networks and communities of practice that bring together civil servants to share knowledge, experiences, and resources on climate and green issues.

#### Empower local action through strengthened vertical co-ordination

- Clearly define roles and responsibilities of different levels of government (national, regional, local) regarding green and climate policies. This includes specifying the decision-making authority, resource allocation, and implementation responsibilities at each level to avoid duplication, fragmentation, and conflicts.
- Systematically include representatives of local governments in the co-ordination mechanisms, including the CISC, for green and climate policies and create a dedicated body for local authorities.
- Provide technical assistance and capacity building for local governments to strengthen their capabilities in developing and implementing green and climate policies. This can involve training programs, workshops, and knowledge sharing initiatives targeted at local officials.
- Encourage data sharing and exchange of information between different levels of government to facilitate evidence-based decision-making and monitoring. This includes harmonising data collection methods, establishing common reporting frameworks, and sharing relevant data and information related to climate and green policies.
- Align financial incentives and allocate adequate resources to local governments to support the implementation of green and climate policies. This can be done through monetary transfers and revenue-sharing mechanisms.
- Facilitate peer learning and knowledge exchange among different levels of government. In doing so local governments can share best practices, success stories, and lessons learned with each other in peer learning platforms, study visits, and networks.

# **3** Setting climate resilience as a strategic priority

#### Prioritising climate resilience through strategic planning

Countries generally use strategic planning to manifest political commitment towards climate action and as a co-ordination instrument to mainstream climate considerations into government work. Indeed, strategic planning and effective prioritisation are therefore crucial for governments to set ambitious goals and deliver them Governments have limited financial and human resources to address policy problems and achieve their goals; (OECD, 2020<sub>[23]</sub>).

For implementation to be effective, planning needs to be systematic and streamlined, ensuring alignment between sectoral objectives themselves, with whole-of-government objectives more generally, and with the necessary budget (OECD, 2020<sub>[23]</sub>). Core elements of the strategic framework for climate action in Romania are outlined in Table 3.1. The proliferation of climate related strategic documents in Romania, is not unique and is quite common across OECD member countries (Kaur, M., et al., 2023<sub>[2]</sub>). However, in Romania this complex strategic landscape has not been accompanied by sufficient articulation and co-ordination mechanisms to ensure activities and goals are aligned over time to improve outcomes.

Document	Lead actor	Description
Nationally Determined Contributions	European Union	Submitted by Romania in 2015 and updated in 2020: The European Union and its Member States submitted their intended nationally determined contribution (INDC) on 6 March 2015.
Romania Sustainable Development Strategy 2030	Sustainable Development Department, PMC	Adopted in 2018, Romania's Sustainable Development Strategy 2030d provides a roadmap for achieving the 17 SDGs. Target 7 (affordable and clean energy) and Target 13 (urgent action to combat climate change and its impacts) are of relevance here. A specific section includes climate change targets ("greening economy objective"). A related Action Plan was adopted on 8 June 2022.
Romania's Circular Economy Strategy	Department for Sustainable Development, PMC	The Romanian Strategy for the Circular Economy (NSCE) is a roadmap for accelerating Romania's transition from a linear to a circular economic model.
National Recovery and Resilience Plan (NRPP)	Ministry of EU affairs	In particular, NRRP Component 14, Reform 2 on Strengthening the co-ordination at the centre of government through an integrated and coherent approach to climate change and sustainable development initiatives.
2021- 2030 Integrated National Energy and Climate Plan	GSG	Under revision
Long-Term Decarbonisation Strategy	GSG	Under development
Annual priorities delivered by the CISC	CISC	Under development

#### Table 3.1. Romania's strategic framework for climate action: core elements

Source: Author's own elaboration.

As is the case in most if not all EU countries, the green and climate policy agenda in Romania is strongly driven by the European Union and broader international commitments. These ties are in part financial, as the 2021-2027 cohesion policy allocation for Romania ammounts to 31 billion euros, and the Partnership Agreement 2021-2027 that anticipates that Romania will receive 6,7 billion from cohesion policy funds for investments addressing climate challenges. Furthermore, governmental stakeholders interviewed in the context of this project all pointed to the EU Green deal as the main driver of climate and environmental policy in Romania.

These external drivers have undeniably proved to be effective in incentivising the Romanian government to act in this policy area. For instance the National Recovery and Resilience Plan and the Circular Economy Strategy adopted by Romania in June 2022 were both produced to abide by Green Deal requirements. However, it is important to consider that the pressure to abide by EU driven timelines and objectives, in a context of constrained financial and human resources, can limit the ability of the government to pay attention to long-term coherence for climate resilient development. Furthermore, adequate strategic "ownership" for climate and green policies at the national level will positively impact progress towards climate-neutral objectives.

Indeed, at the national level, it seems the Government of Romania struggles to keep its strategic framework for climate action up to date. The Romanian National Strategy on Climate Change 2013-2020, the National Strategy for Climate Change and Low-Carbon Growth 2016-2020 and the National Action Plan for Implementation of the National Strategy for Climate Change and Low-Carbon Growth 2016-2020 were not updated. Delays in the revision of the National Energy and Climate Plan, as well as the development and adoption of the Long-Term Decarbonisation Strategy reflect difficulties in translating supranational commitments, ambitions, and objectives at the national level. The Government of Romania has sought external support with PricewaterhouseCoopers to deliver on both endeavours. Finalising these documents and ensuring broad buy-in from across the administration for their implementation should therefore be an absolute priority for Romania.

A second way in which Romania could promote more ownership towards climate action, is to integrate a long-term mindset in its "traditional" whole-of-government strategic planning activities. This can be achieved by factoring in the long-term sustainability of public finances, as is done in Switzerland (see Box 3.1), or by assessing existing whole-of-government strategic document, such as the Government Programme, through a long-term sustainability lens as is the case in Finland (see Box 3.1).

#### Box 3.1. Mainstreaming long-term insights into strategic planning activities

#### Switzerland

Climate change, like other important structural changes (for example, population aging), needs to be factored into long-term fiscal sustainability analysis, at least in a qualitative manner. The first country to do so is Switzerland.

The "Report on the Long-Term Sustainability of Public Finances in Switzerland" has been published every four years since 2008. A first qualitative presentation of possible impacts of climate change on public budgets was presented in the long-term fiscal sustainability report in 2016. The 2020 report contains a somewhat longer section about climate change but remains qualitative.<sup>7</sup>

#### Finland

The 2019-2023 Government programme of Finland provides for a sustainability assessment of government's programme and its strategic themes which include carbon-neutrality.

The Government's sustainability roadmap, adopted during the mid-term policy review session in spring 2021, outlines the Government Programme's objective of a socially, economically and ecologically sustainable society in concrete terms. The revised roadmap describes what has been achieved during the government term, what sustainability looks like in Finland in the 2020s, what kind of sustainability the country aims for in the future and what measures will be needed to achieve it.

The updated roadmap of February 2022 responds to the needs identified by the Government in its spending limits and budget sessions related to the implementation of monitoring and further preparation of the initial sustainability roadmap. The sustainability roadmap analyses the effects of combining different dimensions of sustainability. This involved pilot studies on the monitoring and evaluation of policy coherence. The report also proposes making sustainability an established part of the work to support strategic decision-making by future governments.

The sustainability roadmap is linked to strategic decision-making by the Government, which includes drawing up the multiannual financial framework for central government finances taking into account the climate, economic and social dimensions of sustainability which supports society's resilience and capacity to respond to crises. This helps to avoid major fluctuations in the functioning of society and to ensure fair progress.<sup>8</sup>

Source: (OECD, 2021[24]).

As identified in the policy paper on coherence and co-ordination in Romania's centre of government (OECD, 2023<sub>[1]</sub>), the fragmentation of strategic documents is a long-term challenge for the coherence of Romania's climate policy trajectory. This is particularly relevant for the climate sector, often exposed to conflicting sectoral interests and objectives at various levels of government. This fragmentation generates unclear strategic priorities on climate. This was highlighted by interviewees engaged in the context of this project, who pointed out that when preparing international climate conferences, they often did not have aligned positions with other institutions. As Romania strives to anchor government action in a more coherent strategic framework it can attempt to both limit fragmentation and improve co-ordination through the harmonisation of Monitoring and Evaluation Arrangements.

Indeed, the Government of Romania could envisage curbing the proliferation of strategic documents in the area of climate and green transition through a rationalisation of existing and future documents. This would entail ensuring new international commitments be integrated within existing frameworks rather than creating additional distinct strategies, whenever possible, and establishing clear co-ordination mechanisms and hierarchical relations between existing documents. The opportunity offered by the current drafting process of the Climate Framework Law should adress these issues.

In addition to this rationalisation attempt, the Government of Romania could also align existing strategic frameworks through common monitoring and evaluation (M&E) arrangements. Research shows that establishing common M&E arrangements can be useful to align strategic documents or objectives across temporal and/or levels of government. A crucial step to co-ordinate M&E systems is to identify key output and outcome indicators common to the different strategies the government is trying to align (Falduto and Rocha, 2020<sub>[25]</sub>). M&E systems common to multiple strategies can also result in reduced costs and streamlined institutional structures, as they can rely on common personnel, data collection and management processes (Falduto and Rocha, 2020<sub>[25]</sub>). For instance, South Africa is developing a comprehensive, integrated National Climate Change Information System (NCCIS), also referred to as the National Monitoring and Evaluation system to track activities related to climate change mitigation, adaptation and Finance.

Another widely used mechanism to guarantee the alignment of climate objectives consists in breaking down national objectives into sectoral plans, targets, or emission ceilings. Based on interviews held in the context of this project, as it stands Romania does not have a sectoral breakdown of its targets. This greatly limits the ease of implementation of the country's climate objectives and makes it tremendously difficult to identify gaps and to draw clear lines of accountability and responsibility, an essential factor in linking strategic planning with actual outcomes on the ground.

Enshrining these sectoral ceilings in law, as was the case in Germany for instance where the first climate law passed in 2019 and amended in 2021 lays out annual sectoral emission budgets could be way forward (Federal Government of Germany, 2022<sub>[26]</sub>). The definition of these sectoral ceilings do not need to be a purely top-down exercise, and could provide an opportunity to mobilise line ministries and obtain additional buy-in from throughout the administration For instance in France, the national low-carbon strategy (*stratégie nationale bas carbone*) was led by the Ministry for Ecological transition, co-created by the relevant ministerial departments and in close collaboration with external stakeholders (Ministère de la transition écologique, 2021<sub>[27]</sub>). Subsequently at the Ecological Defence Council on 27 November 2020, the Prime Minister solicited four ministries (Ministry of Ecological Transition, Ministry of the Economy, Ministry of Agriculture and Food, Ministry of Territorial Cohesion) to draw up action plans to support the implementation of the national strategy and uphold France's climate commitments (Ministère de la Transition Écologique, 2021<sub>[28]</sub>). These strategies were then shared with the High Council for Climate (*Haut Conseil pour le Climat*) to be assessed.

As Romania pursues its ambitions with regards to climate policy, and pursues the development of sectoral emission ceilings, it is likely to identify and struggle with an increasingly large number of trade-offs and

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intersectoral conflicts. One approach to identify and address these effectively is the use of "systems-thinking" in the design and delivery of government climate strategies (see Box 3.2).

### Box 3.2. Systems approach to promote strategic coherence across sectors in the United Kingdom

#### Systems thinking in the Net Zero Strategy Directorate

The UK government has set a bold and ambitious target to reach net zero carbon emissions by 2050. The 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. The directorate can then use this insight to support delivery modelling, policy development, and the reporting or understanding of net zero.

In particular, the directorate has made use have of systems maps to build its understanding, and Sankey diagrams to show anticipated changes to the energy system over time. The directorate is also building and developing a systems interrogation tool for land use and heat and building systems to help inform decisions by policy makers.

#### Joining-up air quality and climate change policies

Climate change and air quality were historically seen as two separate issues, although greenhouse gases and air pollutants are co-emitted. A systems approach appeared to be an effective way to joinup these 2 areas and build a shared understanding of how to simultaneously tackle both issues. There are many past examples of where actions have been taken to combat one of these issues but had a knock-on effect on the other. For example, diesel cars were incentivised to tackle greenhouse gas emission, but also had unintended consequences on air quality.

A soft systems methodology was used to convene experts and facilitate knowledge exchange between stakeholders holding responsibility for different parts of the system. The Air Quality Expert Group subsequently wrote up a report to summarise the findings of this workshop. This publicly available report shares key findings and highlights potential risks associated with different policies. For example, the report summarises the risks and hazards of potential climate policies (for example, the risk of bioenergy to air quality) which helps stakeholders consider how these could be mitigated.

Source: (Government of the United Kingdom, 2021[29]).

#### Steering government action through green budget processes

While essential, enshrining environmental objectives in a robust strategic framework at the national, local and sectoral level is not sufficient to truly steer government action towards these objectives. In this sense, national budget processes play a crucial role in prioritising and resourcing policies and can therefore significantly affect outcomes for the environment (OECD, 2022<sub>[30]</sub>). The three biggest impediments to its introduction are a lack of political will, the lack of a modern performance budgetary framework, and the lack of existing methodology for assessing environmental effects, (OECD, 2021<sub>[31]</sub>).

The National Recovery and Resilience Plan, under Component 6 on Energy, Reform 3 on Green Budgeting aims to allow the monitoring of green budget expenditures and the assessment of the impact of fiscal policy on the environment and climate. As part of this reform, the Ministry of Finance will develop, finalise and apply a methodology for assessing the impact of individual budget lines on environmental objectives, in accordance with the EU taxonomy for sustainable activities and the Technical Guide "do no significant"

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harm" (2021/C58 /01). The government aims to adopt this new methodology by 30 September 2023 (OECD, 2022<sub>[32]</sub>). This ambition was made possible by the country's recent shift from a cash-based to a programme-based approach to budgeting. Despite the importance of linking planning with budgeting with regards for effective climate action, stakeholders interviewed in the context of this project pointed to this being perceived as a distant, low priority endeavour, which often lost out to more short-term needs. Green budgeting is often rooter in high-level political commitment (see Box 3.3), it will therefore be important to obtain more robust buy-in from the Ministry of Finance in that regard. Furthermore, linking this methodology to existing work related to the 2030 Agenda for Sustainable Development and its Sustainable Development Goals could further strengthen buy-in and effectiveness as this area of work is well-developed in Romania.

#### Box 3.3. Governance for green budgeting in France and Ireland

Green budgeting is most often rooted in high-level political commitment, with a key role for finance ministries and ministries of environment/climate at the forefront. In most OECD and EU countries where green budgeting is practised, its introduction has been driven and underpinned by high-level political commitment to pursue national and international goals. In most of these countries, finance ministries, and more specifically, central budget authorities play a leading role alongside the Ministry of Environment and line ministries as responsible authorities for green budgeting, suggesting a co-ordinated approach across government stakeholders.

Various governance approaches have been adopted by EU countries practicing green budgeting. They operate on both centralised and decentralised bases, supported by a range of instruments.

- For example, in France, the governance of green budgeting is centralised with the General Inspectorate of Finances preparing the green budgeting report, based on an inter-ministerial discussion with line ministries and agencies.
- In Ireland, the Department of Public Expenditure and Reform performs a central role, but it coordinates with line ministries throughout the process.
- In Italy, a decentralised approach to governance exists, where line ministries apply green budgeting tools and methods based on guidance prepared by the Ministry of Economy and Finance.
- For the European Union budget, the Climate and Budget Directorate Generals lead on methodology and reporting, with inputs from other Directorate Generals.

Green budgeting exists through a range of legislative and executive instruments, for example budget laws in France, climate laws in the Netherlands and Sweden, general legislation in Italy, government decrees in Finland, and high-level political commitments in Ireland<sup>9</sup>.

Source: (OECD; EC, IMF, 2021[33]).

Romania could draw on existing practices, such as "green tagging" to classify budget measures according to their climate and environmental impact and enhance the transparency of a government's green actions (OECD, 2021<sub>[31]</sub>). France has notably made use of this tool as a first step in assessing the relationships between the budget and climate and environmental goals (Box 3.4).

#### Box 3.4 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. Each expenditure item is rated according to its impact on 6 environmental objectives:

- Climate change mitigation
- Climate change adaptation and natural risk prevention
- Water resource management
- Circular economy, waste management, prevention of technological risks
- Pollution
- Biodiversity

Each expenditure is subsequently graded or "tagged" by a mark ranging from 3 to -1 depending on its environmental impact.

In 2022, out of a total of €586.6bn in budgetary and fiscal expenditure, €53.4bn of expenditure was classified as having a potential impact on the environment. 32.5bn of 'green' spending will do so positively, 4.5bn of 'mixed' spending, is favourable to the environment on at least one axis but has negative effects on at least one other axis; and 10.8bn of expenditure has an unfavourable impact on at least one environmental axis.

Source: (Government of France, 2022[34]).

Moreover, building on the methodology being developed by the Ministry of Finance for green budgeting, Romania could consider incorporating consideration of the impact of measures on climate goals alongside considerations of efficiency through spending reviews (see Box 3.5).

#### Box 3.5. Green spending reviews in Austria, Ireland, and Greece

#### Austria

The Federal Ministry of Finance has introduced gradually a green element to spending reviews as an additional tool of budgetary analysis and flexibility. As a first step green spending reviews are used for identifying efficiency and effectiveness potentials for a limited number of programmes.

#### Ireland

In 2019 the Department of Public Expenditure and Reform undertook and published a spending review of all the government incentives available to support the take-up of electric vehicles.

#### Greece

In 2019, a green dimension was added to spending reviews during a spending review pilot exercise. The spending review objective was to control and reduce energy consumption across the general government. In preparation for the pilot, government entities were asked to complete a template indicating current energy consumption and listing the potential actions they could take to reduce consumption. Recommendations ranged from digitalising government documents to reducing water consumption.

Source: (UNDP, 2021[35]).

# Creating a legally binding climate resilience framework to promote long-term policies

The absence of an overall Climate Framework Law (with clear targets and responsibilities for both the CoG and line ministries) hampers Romania's climate efforts. As reflected in interviews held with stakeholders in the context of this project, in light of frequent political changes in Romania and the institutional instability which results from it, the absence of a legally binding climate strategic framework is perceived as a demobilising factor for concerned stakeholders.

A more robust strategic and legal framework with regards to climate policy would act as a bulwark against political volatility and would contribute strongly towards reducing uncertainty in the Romanian institutional political context. Indeed, studies have shown national climate legislations are effective in reducing greenhouse gas emissions, with each new law showing a correlation in reducing annual carbon dioxide (CO2) emissions per unit of gross domestic product by 0.78% nationally in the short term (during the first three years) and by 1.79% in the long term (beyond three years) (Eskander and Fankhauser, 2020<sub>[36]</sub>). The UK Climate Change Act of 2008 has for instance been credited with helping the United Kingdom deliver sustained reductions in GhG by 26% between 2010 and 2019, while the economy grew by 17% in the same period (see Box 3.6).

#### Box 3.6. The UK Climate Change Act of 2008

The UK's experience with the Climate Change Act of 2008 showed that a comprehensive legislative framework could help advance climate action and steer government policies and programmes. The Climate Change Act was adopted in 2008 to set a comprehensive framework for climate change mitigation and adaptation across the country. Its approval benefitted from a broad cross-party consensus and a strong civil society engagement.

The 2008 Climate Change Act is the foundation of UK's approach to reducing emissions and preparing for the impact of climate change. Legally binding emissions targets for 2050 and the coming 15 years underpin the framework. The Climate Change Act and its governance framework have helped keep the focus of climate change policy on the long-term goal.

The Act is credited with helping the United Kingdom deliver sustained reductions in greenhouse gas emissions by 26% between 2010 and 2019, while the economy grew by 17% in the same period.

The Act strengthened the use of evidence in policy making and has raised the profile of climate change. The Act balances the primacy of the government and parliament in making decisions with the use of independent advisers in interpreting science and evidence.

The Act was the first of this kind in the world. The Act has served as a model for the development of climate legislation in a number of countries, including Denmark, France, Germany, Ireland, Mexico, New Zealand and Sweden. The specifics of these laws vary between countries, but in all cases the laws involve setting interim targets on the pathway to a long-term goal and independent evidence-based advice.

Source: (UK Climate Change Committee, 2022[3]).

It is a positive development that the Romanian Ministry of Environment is currently drafting a Climate Law, which would be used to define and assess environmental performance of line ministries. To speed-up these efforts it would be possible for the Climate Unit of the Chancellery to take over this task and take up further discussions under the CISC. As Romania's legal framework remains underdevelopment, the

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government has the opportunity to draw from other countries' experiences to increase the long-term effectiveness of its approach. Indeed, at present, 28 out of 38 OECD member countries have passed Climate Framework Laws, with important variations in terms of oversight and accountability tools, delineation of responsibilities, provisions for local and stakeholder engagement, clear budget provisions, etc. (Kaur, M., et al., 2023<sub>[2]</sub>). In that regard, the World Bank has also identified 12 key elements to assess framework laws (see Box 3.7).

#### Box 3.7. World Bank Reference guide to Climate Change Framework Legislation

The World Bank Reference Guide to Climate Change Framework Legislation aims to help policy makers understand the benefits of legislating on climate change and establishes 12 key elements to assess framework laws.

Element	Question	
.ong-Term Targets	Does the law enshrine emissions reduction targets for 2050 and include a net zero target (ideally by 2050 or shortly thereafter)? Does the law specify objectives for adaptation?	
Intermediate and Sectoral Targets	Does the law enshrine emissions reduction targets for 2030? Does the law include a mechanism for translating targets into action (for example, carbon budgets and sectoral targets)? Does the law provide a mechanism to periodically increase the level of ambition in emissions reductions (and at least contain a clause to prevent backsliding)?	
Risk and Vulnerability Assessments	Does the law require climate risk and vulnerability assessments? Does the law require the publication of those assessments? Does the law require periodic updates of risk and vulnerability assessments in line with new evidence and science?	
Climate Change Strategies and Plans	Does the law mandate the preparation of decarbonization and adaptation strategies and plans? Does the law provide for integration of strategies and plans in existing national planning instruments, such as development plans, sectoral plans, and the annual budget process?	
Policy Instruments	Does the law mandate the development of decarbonization policy instruments (for example, carbon pricing, information, regulation, public spending, and fiscal actions)? Does the law mandate the development of adaptation policy instruments (for example, information, regulation, public spending, and fiscal actions)? Is it clear who is required to prepare each of the decarbonization and adaptation policy instruments and by when?	
Independent Expert Advice	Does the law ensure that the government has access to independent expert advice? Does the expert advice cover both decarbonization and adaptation? Is expert advice required in processes of target setting, policy development, and evaluation? Is the government required to respond to the advice?	
Co-ordination Mechanism	Does the law authorize a body to coordinate the government's response to climate change? Are both decarbonization and adaptation covered? Does a senior authority lead the co-ordination body? Are subnational	

#### Table 3.2. Reference guide to Climate Change Framework Legislation

	governments included?
Stakeholder engagement	Does the law create a mechanism for engagement with the private sector, civil society organizations and the public? Is there a clear mandate, objective, and structure, and is participation inclusive? Are both decarbonization and adaptation covered? Does the law require public engagement on the formulation and implementation of key policies and plans, as well as the review of monitoring reports?
Subnational government	Does the law require subnational governments to set targets, prepare plans, and report on implementation? Does the framework law provide the means and incentives to decarbonize and adapt?
Financing implementation	Does the law require the national government to address climate change risks and policy objectives in the preparation of its public financial management instruments? Does the law require the publication of information on public finances and climate?
Measurement, Reporting and Verification	Does the law define the information to be collected, empower government collection, and require periodic reporting and assessment of progress and public access to the information?
Dversight	Does the law provide for parliamentary oversight of executive actions (and inactions) on climate, and is the executive required to table progress reports in the parliament? Does oversight and accountability include both decarbonization and adaptation? Are there provisions for regular independent assessments of progress on implementation of the law?
ndependent Expert Advice	Does the law ensure that the government has access to independent expert advice? Does the expert advice cover both decarbonization and adaptation? Is expert advice required in processes of target setting, policy development, and evaluation? Is the government required to respond to the advice?
Co-ordination Mechanism	Does the law authorize a body to coordinate the government's response to climate change? Are both decarbonization and adaptation covered? Does a senior authority lead the co-ordination body? Are subnational governments included?
Stakeholder engagement	Does the law create a mechanism for engagement with the private sector, civil society organizations and the public? Is there a clear mandate, objective, and structure, and is participation inclusive? Are both decarbonization and adaptation covered? Does the law require public engagement on the formulation and implementation of key policies and plans, as well as the review of monitoring reports?
Subnational government	Does the law require subnational governments to set targets, prepare plans, and report on implementation? Does the framework law provide the means and incentives to decarbonize and adapt?
Financing implementation	Does the law require the national government to address climate change risks and policy objectives in the preparation of its public financial management instruments? Does the law require the publication of information on public finances and climate?
Neasurement, Reporting and Verification	Does the law define the information to be collected, empower government collection, and require periodic reporting and assessment of progress and public access to the information?
Oversight	Does the law provide for parliamentary oversight of executive actions (and inactions) on climate, and is the executive required to table progress reports in the parliament? Does oversight and

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accountability include both decarbonization and adaptation? Are there provisions for regular independent assessments of progress on implementation of the law?

Source: (World Bank, 2020[37]).

## Recommendations to set climate resilience as a strategic priority in Romania

#### Leverage strategic planning

- Ensure adequate strategic ownership and long-term coherence for climate and green policies. This can be done through effective policy alignment and integration, stakeholder engagement, strengthened co-ordination, and capacity building to understand, implement and monitor climate and green policies effectively.
- Integrate a long-term mindset in "traditional" whole-of-government strategic planning activities. This can be achieved by factoring in the long-term sustainability of public finances or by assessing existing whole-of-government strategic document through a long-term sustainability lens.
- Curb the proliferation of strategic documents in the area of climate and green transition by rationalising existing and future documents. Rather than creating additional distinct strategies for new international commitments, a focus should be placed on integrating them within existing frameworks wherever possible. This will streamline the implementation process and avoid overlaps.
- Streamline the reporting and monitoring processes associated with strategic documents to
  reduce administrative burdens and duplication of efforts. Harmonise reporting requirements and
  indicators across different strategies to ensure compatibility and ease of data collection.
  Establish a centralised monitoring system to track progress and facilitate the evaluation of the
  overall impact of climate and green transition efforts.
- Leverage the drafting process of the Climate Framework Law as an opportunity to address the issues related to the proliferation of strategic documents. Ensure that the Climate Framework Law serves as a comprehensive and overarching framework that integrates and harmonizes existing and future strategies. Use this law to establish clear guidelines for co-ordination, hierarchical relations, and consolidation of strategic documents.
  - Define hierarchical relations: establish clear hierarchical relations among existing documents to provide a framework for decision-making and policy co-ordination. Define the relationships between various strategies, plans, and frameworks to ensure consistency and avoid conflicting objectives or actions. This will help streamline governance and enhance the effectiveness of climate and green transition policies.
  - Engage stakeholders: involve relevant stakeholders, including government agencies, experts, civil society organizations, and private sector actors, in the development and implementation of the Climate Framework Law. Seek their input and feedback to ensure the rationalization and consolidation of strategic documents reflect diverse perspectives and expertise. This will help enhance the legitimacy and ownership of the resulting framework.

- In absence of the Climate Framework Law ensure the strategic framework for climate action is up to date:
  - Update and consolidate the National Climate Strategies: the Romanian National Strategy on Climate Change 2013-2020, the National Strategy for Climate Change and Low-Carbon Growth 2016-2020, and the National Action Plan for Implementation of the National Strategy for Climate Change and Low-Carbon Growth 2016-2020. Ensure that these strategies reflect the latest supranational commitments, ambitions, and objectives, including those outlined by European processes.
  - Expedite the revision of National Energy and Climate Plan: Address the delays in revising the National Energy and Climate Plan (NECP), which outlines the country's energy and climate targets, policies, and measures. Collaborate with relevant stakeholders, including government agencies, experts, and civil society organizations, to accelerate the revision process and align it with European requirements and deadlines.
  - Develop a Long-Term Decarbonisation Strategy: Establish a Long-Term Decarbonisation Strategy that outlines Romania's pathway towards a low-carbon future, taking into account long-term climate objectives. Engage with a wide range of stakeholders in the process to ensure buy-in and legitimacy. Identify key sectors contributing to greenhouse gas emissions, such as energy, transportation, industry, agriculture, and buildings. Set specific targets or emission ceilings for each sector, considering their respective contribution to overall emissions. This sectoral breakdown will enhance the clarity and precision of climate objectives and facilitate effective implementation.

#### Steer government action through budget processes

- Develop clear guidelines for integrating green considerations into the budget process to ensure environmental priorities are reflected in resource allocation. This will provide a framework for decision-making and ensure consistency across government departments.
- Link the upcoming methodology for assessing the environmental impact of individual budget lines to existing work on the 2030 Agenda and the SDGs. This would strengthen buy-in and effectiveness by aligning green budgeting with existing sustainability processes that are well developed.
- Adopt existing practices like "green tagging" to classify budget measures based on their climate and environmental impact. This enhances transparency, allowing the public to easily identify and understand the government's green actions. It also facilitates the tracking of green investments and supports informed decision-making.
- Foster collaboration among government departments and agencies involved in green budgeting to ensure a coordinated approach. Establish mechanisms for regular communication, information sharing, and joint decision-making to optimise the impact of green budget processes and promote cross-sectoral co-operation.
- Provide training and capacity-building programs to enhance the expertise of budget officials in green budgeting principles to equip them with the necessary knowledge and skills to effectively integrate environmental considerations into budgetary decisions, ensuring that sustainability objectives are properly considered and prioritised.

# **4** Promoting evidence-based development of climate resilience policies

## Reinforcing and articulating the knowledge to underpin the development of climate-related policies

Creating mechanisms to improve organisational and individual capacities in government to promote, collect and analyse high-quality evidence is a key condition for developing climate resilience policies. This includes developing the right set of skills to carry out an informed judgment (OECD, 2020<sub>[38]</sub>). One of the main mechanisms adopted by countries to improve evidence on climate action are policy advisory bodies. Over 40 countries have established climate advisory bodies, albeit with varying in expertise and independence, with the UK being a pioneer in this approach (see Box 4.1) (Dudley et al., 2021<sub>[39]</sub>). Policy advisory bodies aim to act as knowledge brokers, providing neutral and independent findings and policy advice (OECD, 2017<sub>[40]</sub>). They are expected to bring a longer-term and evidence-based perspective to climate issues, thereby strengthening climate governance and supporting policy credibility (Averchenkova and Lazaro, 2020<sub>[41]</sub>).

Although Romania does not have a formal policy advisory body for climate change, (Evans and Duwe, 2021<sub>[42]</sub>) it has nevertheless recently established several innovative initiatives to engage with academics, experts and non-governmental actors in the area of climate policy, in particular the president's working group on climate change that brings together academics and experts within the Romanian administration, and the Expert Commission on Climate Change Education.

The Government of Romania could consider creating a policy advisory body dedicated to climate change, or perhaps formalising the role of the Presidential Working Group on Climate Change for that purpose. This body could take a variety of forms, in particular along the following dimensions:

- Composition: merely scientific councils or have a broader composition, serving more as stakeholder engagement platforms to support decision-making, therefore supporting political economy of reform.
- Scope: broader sustainable development scope while others only focus on climate action.
- Oversight and power: While in countries such as Austria, Denmark (see Box 4.1) and Finland, these bodies can only provide policy advice; in other countries such as Ireland and Sweden, they can undertake reviews of the government actions. In some cases, such as the UK, the government has to provide concrete responses to their advice (Dudley et al., 2021<sub>[39]</sub>).

## Box 4.1 Policy advisory bodies in Denmark and the United Kingdom

#### **Danish Council on Climate Change**

As a means of facilitating Denmark's climate objective to reduce CO2 emissions by 80-95% by 2050 set up by the Climate Law of 2020, the Danish Council on Climate Change assists the Minister for Climate, Energy and Utilities in setting national and international climate targets and evaluation their progress and implementation on an annual basis. The Danish Council on Climate Change is also charged with drawing up climate policy recommendations to promote an impartial perspective to Denmark's climate trajectory and give robust expertise on the potential cost-effective means of achieving the transition to a low-carbon society by 2050. In addition to this 'watchdog' and 'advisor' role, the Danish Council can also be considered as a contributor to the public debate through its wide-ranging expertise and mandate to consult and involve concerned relevant parties such as the private sector, civil society and social partners to work on all climate-related topics (energy, buildings, transport, agriculture, environment, nature and the economy).

#### **UK Climate Change Committee (CCC)**

Set up by the Climate Change Act 2008, the United Kingdom's Committee on Climate Change (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 purpose of the CCC consists in conducting and providing solid scientific policy analysis for national authorities (governments and the parliament) to develop effective and long-term climate mitigation and adaptation trajectories in line with international emission budgets set by the Paris Agreement. CCC's recent publications include "2021 Progress Report to Parliament" with policy recommendations on climate mitigation and adaptation to the Government, "Independent Assessment of UK Climate Risk" reporting UK's primary climate-related risks and opportunities, as well as the "Sixth Carbon Budget" tracing the required pathway to Net Zero as set up by the Climate Change Act.

Source: (UK Climate Change Committee, 2022[3]) (The Danish Council on Climate Change, 2023[43]).

## Engaging citizens and non-governmental stakeholders in the development of climate policies

International attitudes towards climate policies show that 75% of surveyed respondents perceive climate change as "an important problem" and that their country "should take measures to fight" it (Dechezleprêtre, A., et al., 2022<sub>[44]</sub>). In this context, strengthening channels for citizens to directly partake in the policy development and planning process, is paramount to respond more ambitiously to climate change and its effects. However, these platforms and mechanisms need to be carefully designed and integrated within existing governance frameworks, to ensure they become means of empowerment for the public, as well as catalysts to "depoliticise" and lower risks for climate action and investment (Uittenbroek et al., 2019<sub>[45]</sub>).

Based on interviews held in the context of this project, there seems to be limited engagement in Romania with citizen and overall stakeholder relations being described as mostly one directional. Due to the societal importance of climate change and the magnitude of societal and economic transformation stemming from it, further systematic efforts should be made to engage civil society and communities, in particular those directly affected by the policies and decisions; open deliberative formats like citizens assemblies could be also used to complement regular public consultation procedures. Fortunately, positive Romanian experiences from existing consultation formats such as the Presidential Working Group on Climate

Change, the Expert Commission on Climate Change Education, and the SDG Consultative Council can be used to set-up citizen engagement channels in the area of green policies and decision-making. Furthermore, while these initiatives can contribute to the development of climate policy, their effectiveness and credibility directly depends on a broad number of factors. In particular, a successful engagement mechanism typically relies on clearly stated goals and expectations for all parties, clear guidance on the integration of inputs generated by the engagement, and built-in pathways to provide feedback to participants.

## Box 4.2. Engaging citizens through open deliberative formats

## The Citizens' Convention on Climate in France (2019-2020)

The Citizens' Convention on Climate was a deliberative process that brought together 150 citizens representative of the French population, selected via civic lottery, for seven weekends over six months. It was designed to give citizens an opportunity to propose informed policy recommendations for addressing climate change, to define a range of measures that will enable France to reduce its greenhouse gas emissions by at least 40% by 2030 (compared to 1990 levels) in a socially just and equitable way. After extensive deliberation, citizens prepared a list of 149 measures for the French government.

## The Klima-Biergerrot (Citizens' Assembly on the Climate) in Luxembourg (2022)

Between January and July 2022, the Klima-Biergerrot brought together a representative sample of 100 people living or working in Luxembourg to discuss the country's current commitments on climate change and develop possible additional measures or proposals. At the end of this process, the outputs were be presented to the Government and debated at the Luxembourg Parliament. They then fed into the revision process of the Integrated National Energy and Climate Plan (NECP).

Source: (Government of France, 2019[46]) (Government of Luxembourg, 2022[47]).

## Box 4.3. Engaging people through a public engagement strategy in Scotland

Scotland has adopted a dedicated Inter-ministerial strategy "Climate change - Net Zero Nation: public engagement strategy". It sets out the overarching framework for engaging the people of Scotland in the transition to a net zero nation which is prepared for the effects of the changing climate.

The strategy sets out activities and initiatives that will contribute to meeting the strategy's three strategic objectives:

- Understand: Communicating Climate Change
- Participate: Enabling Participation in Policy Design
- Act: Encouraging Action in households, communities and places across Scotland

The activities and initiatives are organised according to the five categories of participation in the Public Participation Spectrum: Inform; Consult; Involve; Collaborate; Empower. This model has also been adapted to form the basis of the Scottish Government's Participation Framework, which guides good practice in participation across government. Case study examples are provided throughout the strategy

to illustrate activities. A more detailed visualisation of how the activities and initiatives relate to the three strategic objectives is shown in an accompanying Theory of Change diagram.

Source: (Government of Scotland, 2021[48]).

## Supporting the development of climate resilient policies by mainstreaming climate and environmental considerations in the policy development process

Governments can struggle to fully consider the likely effects of the interventions they are developing, whether that be a policy, law or regulation. In addition, government interventions entail certain costs (financial, environmental or social) which in some cases might outweigh anticipated benefits. To lessen this risk, many countries have adopted or deployed various ex-ante assessments mechanisms to ensure greater quality of government intervention, enhance accountability and transparency in the policymaking and decision-making processes (OECD, 2018<sup>[49]</sup>). The OECD's forthcoming issues paper "Better Regulation for Environmental Protection (OECD, 2023<sup>[50]</sup>)" nevertheless notes for instance that Regulatory impacts on the environment are not sufficiently assessed as part of governments' ex ante impact assessments (SEA) (see Box 4.4).

## Box 4.4. Incorporating environmental considerations into the policy development process by making use of Strategic Environmental Assessments

A Strategic Environmental Assessment (SEA) is a systematic and comprehensive process that aims to incorporate environmental considerations into strategic decision-making processes. It is a tool used to assess the potential environmental impacts of policies, plans, and programs before they are implemented. SEA provides a framework for evaluating the environmental consequences of proposed actions and helps to ensure that environmental factors are adequately considered and integrated into decision-making.

The main purpose of SEA is to promote green and sustainable development by identifying and mitigating potential adverse environmental effects early in the planning and policy formulation stages. It goes beyond traditional project-level environmental assessments by taking a broader and more strategic perspective. SEA considers the cumulative and long-term impacts of policies and programs, as well as their interactions with other plans and projects.

The process of conducting a SEA typically involves several key steps. These include scoping, where the scope and boundaries of the assessment are defined; baseline data collection and analysis, which involves gathering information about the current state of the environment and identifying potential environmental issues; impact assessment, which evaluates the potential effects of the proposed policy or plan on the environment; and mitigation and enhancement measures, which identify actions to avoid, minimize, or compensate for any adverse impacts identified. Furthermore, SEA involves stakeholder engagement to ensure that different perspectives and concerns are taken into account. It provides opportunities for public participation, allowing affected communities, organizations, and individuals to express their opinions and contribute to the decision-making process.

By integrating environmental considerations into strategic decision-making, SEA enables policymakers to make more informed choices. It helps identify environmentally preferable alternatives, encourages

the adoption of sustainable practices, and promotes the consideration of environmental objectives alongside economic and social goals.

Implementing SEA as part of governments' ex ante impact assessment processes for climate policies can address the current issue of inadequate assessment of regulatory impacts on the environment. SEA provides a systematic approach to evaluate the potential environmental consequences of policies, plans, and programs, ensuring that environmental considerations are given due attention. Through this approach, decision-makers can proactively address environmental concerns and foster the development of climate policies that are more sustainable and resilient.

It is worth noting that the effectiveness of SEA relies on the commitment of decision-makers to consider its findings and recommendations seriously. When SEA is implemented effectively, it can contribute significantly to improved environmental outcomes, better-informed decision-making, and ultimately, more robust and sustainable climate policies.

Source: (European Comission, 2023[51]). (UNECE, 2023[52]).

In Romania, the recent establishment of a Regulatory Scrutiny Board and its quality control of environmental impact assessment represent a great opportunity to mainstream climate and environmental considerations in the policy development process. The Board can provide further support to credibly mainstreaming green considerations across decision- making, in particular with regard to the high number of emergency ordinances. Stakeholders interviewed in the context of this project nevertheless underscored that elaborating a toolbox for quality control of environmental impact assessment at the centre of government level and staffing the Board with green expertise remain challenges to overcome in order to fully tap into this potential.

Beyond the role played by the Regulatory Scrutiny Board, supporting the development of climate resilient policies will also require additional guidance from the centre to help disseminate this methodology across line ministries. The United Kingdom's "green book" represents an inspiring practice in that regard (see Box 4.5).

## Box 4.5. United Kingdom "Green Book: Central Government Guidance on Appraisal and Evaluation

The UK Government's "Green Book: Central Government Guidance on Appraisal and Evaluation" provides central government's guidance on how to appraise and evaluate policies (including alternative policy options), projects and programmes. It sets out the requirements for options analysis, approach to cost-benefit analysis, and monitoring and evaluation. It includes climate mitigation and adaptation examples and information on accounting for GHG emissions, the approach to environment, natural capital, and biodiversity.

This guidance concerns the provision of objective advice by public servants to political decision makers. The guidance is for all public servants concerned with proposals for the use of public resources, not just for analysts. The key specialisms involved in public policy creation and delivery, from policy at a strategic level to analysis, commercial strategy, procurement, finance, and implementation must work together from the outset to deliver best public value.

The Green Book is not a mechanical or deterministic decision-making device. It provides approved thinking models and methods to support the provision of advice to clarify the social – or public – welfare costs, benefits, and trade-offs of alternative implementation options for the delivery of policy objectives.

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Supplementary subject guidance explains how the Green Book can be applied when dealing with particular topics, for example environmental impact, greenhouse gas emissions, air pollution, wellbeing impacts. The supplementary guidance on accounting for the effects of climate change helps identify how climate impacts and challenges can affect a project. It outlines how to approach climate risk assessment, considering direct and indirect effects, and supports the development of alternative policy options in response to climate challenges, focusing on adaptation. It also provides guidance on incorporating climate change risks into baseline and sensitivity analysis.

An excel-based calculation toolkit is provided to convert increases or decreases in energy consumption into changes in GHG emissions and value these changes. Data tables containing the latest published assumptions for carbon values, energy prices, long-run variable energy supply costs, emission factors and air quality damage costs are provided.

Source: (Government of the United Kingdom, 2023[53]).

The Government of Romania could also consider broadening the scope of ex-ante assessments to better link these assessments to with the country's strategic objectives. In other words, ex-ante assessments of policies do not have to "just" present environmental impact information or data disconnected from the government's stated goals. In Canada the Strategic Assessments of Climate Change (SACC) required for projects governed under the Impact Assessment Act must include plans to achieve net zero greenhouse gas emissions by 2050, but also account for the project's resilience in the face of climate change (see Box 4.6). Strengthening and broadening the scope of ex-ante appraisals of policies and projects can therefore represent an opportunity for Romania to "climate proof" policy development.

## Box 4.6. Strategic Assessment of Climate Change (SACC) in Canada: mainstreaming mitigation and adaptation considerations in Federal Impact Assessments

In August 2019, the Impact Assessment Act (IAA) came into force in Canada. The IAA establishes a new process for considering environmental, health, social and economic effects of projects that will undergo a federal impact assessment. One of the factors to be considered in the impact assessment process of a designated project is the extent to which the effects of the designated project hinder or contribute to the Government of Canada's ability to meet its commitments in respect of climate change such as the Paris Agreement, Canada's 2030 target and the goal of Canada achieving net-zero emissions by 2050.

The strategic assessment of climate change aims to enable consistent, predictable, efficient and transparent consideration of climate change throughout federal impact assessments. The strategic assessment of climate change:

- describes the greenhouse gas (GHG) and climate change information that project proponents need to submit at each phase of a federal impact assessment;
- requires proponents of projects with a lifetime beyond 2050 to provide a credible plan that describes how the project will achieve net-zero emissions by 2050; and
- explains how the Impact Assessment Agency of Canada (IAAC) or lifecycle regulators, with support from expert federal authorities, will review, comment on and complement the climate change information provided by proponents. Environment and Climate Change Canada (ECCC) plans to review and update the strategic assessment of climate change every 5 years.

Although emissions reduction is its primary focus, the strategic assessment of climate change also requires project proponents to explain "how the project is resilient to and at risk from both the current and future impacts of a changing climate".

Source: (Government of Canada, 2020[54]).

## Recommendations to promote evidence-based climate resilient policy development in Romania

#### Reinforce and articulate the knowledge to underpin development of climate policies

- The existing Presidential Working Group on Climate Change, which brings together academics and experts within the Romanian administration, can be formalised and empowered to play a stronger role in advising on climate policies. This body can provide expertise, analysis, and recommendations to inform the development and implementation of climate policies. It can serve as a central hub for engaging with academics, experts, and non-governmental actors.
  - The advisory body could include scientific experts from various sectors, and representatives of relevant stakeholders to ensure diverse perspectives and support effective decisionmaking. The body can serve as a platform for scientific engagement, fostering analytical collaboration and scientific supporting the political economy of reform.
  - Determine the scope of the advisory body, the advisory body can focus solely on technical and scientific analysis climate action or have a broader scope. A broader approach can help identify synergies and trade-offs between climate objectives and sustainable development.
  - Determine the level of oversight and power the advisory body will have. In some countries, such bodies provide policy advice, while in others, they undertake reviews of government actions. If the government is required to provide concrete responses to the recommendations provided by the advisory body, accountability is strengthened.

#### Engage citizens and non-governmental stakeholders in the development of climate policies.

- Strengthen channels for citizen engagement that enable citizens to actively participate in the policy development and planning process related to climate change. These channels should be carefully designed and integrated within existing governance frameworks to empower citizens.
- Systematically engage civil society and communities, particularly those directly affected by climate policies and decisions. Explore the use of open deliberative formats such as citizens' assemblies to complement regular public consultation procedures. Draw on positive experiences from existing Romanian consultation formats, including the Presidential Working Group on Climate Change, the Expert Commission on Climate Change Education, and the SDG Consultative Council.
- Ensure effective and credible citizen engagement mechanisms: To maximize the impact of citizen engagement, consider the following factors:
  - Clearly communicate the purpose and objectives of the engagement process to all stakeholders, including citizens and non-governmental organizations to set a common understanding and fosters meaningful participation.

 Develop clear guidance on how inputs from citizen engagement will be incorporated into the policy development process. Ensure that the inputs are carefully considered, analysed, and reflected in decision-making, enhancing the legitimacy and effectiveness of climate policies. Provide feedback to citizens and non-governmental stakeholders who participate in the engagement process.

#### Mainstream climate and environmental considerations in the policy development process

- Strengthen the Regulatory Scrutiny Board's role to mainstream climate and environmental considerations in the policy development process. This can be done by establishing a toolbox for quality control of environmental impact assessments at the level of the center of government. This toolbox should provide clear guidelines and standards for assessing the environmental impact of policies and ensure that the Board has sufficient green expertise to effectively evaluate and advise on climate and environmental aspects.
- Ensure that the Regulatory Scrutiny Board and line ministries have access to adequate green expertise. This can be achieved by recruiting experts with a strong background in climate and environmental fields and providing them with the necessary resources and training. Additionally, establishing partnerships with research institutions, think tanks, and environmental organisations to tap into external expertise can be considered.
- Support the development of climate resilient policies by providing additional guidance from the center to disseminate methodologies across line ministries. Develop guidance documents that outline best practices, methodologies, and tools for assessing climate and environmental impacts in policy formulation.
- Broaden the scope of ex-ante assessments to better align them with the country's strategic objectives. Instead of solely focusing on presenting environmental impact information in isolation, these assessments can be designed to integrate with the government's stated goals and objectives.

# **5** Conclusion

This policy paper assessed the current legal, organisational and policy framework and the practices in Romania related to the co-ordination of climate policies. In doing so, it assessed the valuable efforts already undertaken by the government of Romania and the complex institutional landscape for the definition, co-ordination, and implementation of climate objectives. This paper aims to contribute towards consolidating Romania's capacity for coordinating climate policies, strengthening the centre of governments role in ensuring linkages between the Sustainable Development Goals, the National Energy and Climate Action Plan and the National Strategies in the sectors covered, ensuring they are aligned with the commitments of Romania towards the EU.

The report provided a review of the potential risks and opportunities for the newly created co-ordination mechanism. In particular, it analysed current co-ordination mechanisms within the centre of government in the green area, how the green co-ordination mechanism in place articulates with the existing governance frameworks in terms of mandate, and lessons learned from the existing framework for sustainable development.

Additionally, concrete and actionable recommendations from OECD good practices are mainstreamed and summarised at the end of each section. These recommendations offer actionable and tailored guidance to strengthen the coherence and co-ordination of government action to improve policy outcomes and deliver on priorities. Recommendations are clustered around three policy areas: leveraging co-ordination mechanisms and instruments to deliver on climate commitments, setting climate resilience as a strategic priority, and promoting evidence-based climate resilient policy development. In brief:

- Co-ordination mechanisms and instruments: Define clear mandates to overcome institutional fragmentation, bring governmental stakeholders together, strengthen open data and up-skill human resources and empower local action through accrued vertical co-ordination.
- Climate resilience as a strategic priority: Create a legally binding climate resilience framework to
  promote long-term policies, prioritise climate resilience through strategic planning and strengthen
  green budgeting practices.
- Evidence-based policymaking: Reinforce and articulate the knowledge to underpin climate policies development, engage citizens and non-governmental stakeholders in the development of climate policies and support the development of climate resilient policies by mainstreaming climate considerations in the policy development process.

## Notes

<sup>1</sup> Ministry of Finance, Ministry of Environment, Ministry of Energy, Ministry of Economy, Ministry of Entrepreneurship and Tourism, Ministry of Internal Affairs, Ministry of Transport and Infrastructure, Ministry of Agriculture and Rural Development, Ministry of Development, Public Works and Administration, Ministry of Investment and European Projects, Ministry of Research, Innovation, and Digitisation, Ministry of Labour and Social Solidarity.

<sup>2</sup> National Meteorological Administration, National Institute of Statistics, National Strategy and Forecasting Commission.

<sup>3</sup> McKenzie J., Kuehl, J. Greater than the sum of its parts: How a whole-of-government approach to climate change can improve Canada's climate performance, Canadian Climate Institute, 22.11.2021. Available at: <u>https://climateinstitute.ca/publications/greater-than-the-sum-of-its-parts/</u> (accessed on 13 December 2022).

<sup>4</sup> gov.ie - Track Ireland's Progress on Climate Change (www.gov.ie).

<sup>5</sup> Russel, D., Castellari, S. et al., Policy Co-ordination for National Climate Change Adaptation in Europe: All Process, but Little Power, MDPI Sustainability Journal, 2020, 12, 5393; doi:10.3390/su12135393.

<sup>6</sup> Adapting Fiscal Decentralization Design to Combat Climate Change, Jorge Martinez-Vasquez, Georgia State University, Andrew Young School of Policy Studies, forthcoming. An Analysis of Ecological fiscal transfers in *Brazil, Pedro Comoes and Felipe de Paulo, Environmental Development Vol. 37, 2020.* 

<sup>7</sup> Climate Change and Long-term Fiscal Sustainability - OECD Scoping Paper GOV/PGC/SBO(2021)4. Presented at the Joint 3rd OECD Paris Collaborative on Green Budgeting Expert Group Meeting & 1st Workshop of the Coalition of Finance Ministers for Climate Action on Helsinki Principle Four "Macroeconomic Management and Public Finance" on 16-17 March 2020, OECD Headquarters. Available at: <u>https://www.oecd.org/gov/budgeting/scoping-paper-on-fiscal-sustainability-and-climatechange.pdf</u> (accessed on 14 December 2022).

<sup>8</sup> <u>https://valtioneuvosto.fi/en/-//10616/government-s-updated-sustainability-roadmap-describes-</u> <u>development-of-overall-sustainability-during-the-parliamentary-term</u>; Interview with a representative of the Prime Minister's Office of Finland, 2 May 2022.

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# Annex A. Institutional framework for climate resilience in Romania

Type of institution	Institution	Role
Dedicated ministry of the environment	Ministry of Environment, Water and Forests (MEWF)	The lead authority in the Romania Government's responses to climate change. Two dedicated units in climate change: one on regulation and one on strategy development. Vice-chair of the Interministerial Committee on Climate Change
Centre of government body	Presidential Administration, Department of Climate and Sustainability	The Department of Climate and Sustainability is the structure of the Presidential Administration that provides the President of Romania with information and analysis on national and international developments in the fields of climate change and sustainability.
Centre of government body	Prime Minister's Chancellery, Department for Sustainable Development	The Department for Sustainable Development aims to coordinate the activities surrounding the implementation of the 17 Sustainable Development Goals, including those related to environmental protection and climate change. The Department is also part of the Technical Secretariat for the Interministerial Committee on Climate Change.
Centre of government body	General Secretariat of the Government, Directorate for Policy Co-ordination and Priorities	DCPP supports the work of the Interministerial Committee on Climate Change as part of its Technical Secretariat.
Line ministry	Ministry of Agriculture and Rural Development	The central body responsible for policies on agriculture, rural development, conservation and sustainable land development, irrigation and drainage measurement. It plays a key role in policies and measures on CC adaptation
Line ministry	Ministry of Regional development, Public Works and Administration	Responsible for regional development, cohesion and territorial development. Due to its regional authority the MRDPA has the potential to play an important role in CC policy development at the territorial level in both reducing GHG emissions and adapting to the effects of CC.
Line ministry	Ministry of Investment and EU Projects	Responsible for managing Romania's RRP, Cohesion Policy and EU-driven climate plans
Line ministry Potential unit being devised	Ministry of Energy	Lead role in implementing Romania's Energy Strategy 2016-2030, with the perspective of 2050 (in collaboration with Ministry of Internal affairs). The main objectives are energy security (diversify energy resources) sustainable development (increasing energy efficiency, promoting energy production from renewable resources) The Department for Energy and Climate Transition would be tasked with analysis, monitoring, National Energy and Climate Strategy, Long-term strategy, and will deal with the institution in charge of the modelling.
Line ministry	Ministry of Transport and Infrastructure	Lead role in the modernisation and energy efficiency of transport and infrastructure

Type of institution	Institution	Role
Line ministry	Ministry of Economy	Identified as key actor in the implementation of Romania's Integrated National Energy and Climate Change – 2021 2030.
Line ministry	Ministry of Finance	Responsible for RRP Component 6 on Energy, Reform 3 on Green Budgeting aims to allow the monitoring of green budget expenditures and the assessment of the impact of fiscal policy on the environment and climate. As part of this reform, the Ministry of Finance will develop, finalise and apply a methodology for assessing the impact of individual budget lines on environmental objectives, in accordance with the EU taxonomy for sustainable activities and the Technical Guide "do no significant harm" (2021/C58 /01).