

Advancing climate-resilient low emission development around the world

Global NDC Conference 2017

Berlin, May 3-5, 2017

Session Background

Day 1, 15:00-16:30, Parallel Breakout Session #4 Multi-level Governance along Climate Policy & Action Pathways

# Subnational Integration Working Group (SNI-WG)<sup>1</sup>

Successful public investment requires co-ordination between national and subnational governments. Effective multi-level governance (MLG) and intersectoral collaboration are key components of successful low emission, climate-resilient development strategies.

## Setting the Stage:

Since 1990, the majority of countries have been rapidly urbanizing without delivering emission reductions. In fact, CO2 emissions from the combustion of fossil fuels and cement production are rising faster than the rate of urban population growth; which again is increasing faster than the rate of national population growth (data link).<sup>2</sup> Regionally, this trend is especially divergent in South Eastern Asia, South America, and Middle Africa, among others. This has important implications for shifting governance dynamics.

## Definitions:

<u>Governance</u> - processes of interaction and decision-making among the social actors involved in a collective problem that lead to the creation, reinforcement, or reproduction of social norms and institutions." [Problem, Actors, Norms, Nodal points/interaction points, Processes] (Hufty, M. 2011)

<u>Multi-level governance (MLG)</u> - the synergistic "interplay" between institutions, levels of government and civil society organizations that shape how policies and actions are defined and implemented. This can involve vertical and/or horizontal interactions

and take numerous forms— e.g. driven by topdown, bottom-up, or hybrid institutional arrangements.

Intersectoral cooperation - the premise that state, municipal, markets and civil society sectors each posses distinct assets that can be combined in a productive manner to solve complex problems. (Kalegaonkar, A. 2000)

<u>Fragmentation</u> - disconnected, polycentric structures of subnational governance, for example between abutting municipalities in a metropolitan area. Fragmentation can create political, institutional or information barriers, inefficiencies in service provision, spillover effects across jurisdictional boundaries, as well as severe income and service level inequalities.

# MLG Climate Policy and Action Pathway

- Strategic planning/ agenda setting
- Political leadership
- Stakeholder support
- Policy formulation/ approval
  - Identifying & bridging policy gaps
- Implementation
  - Identifying & addressing barriers
  - Capacity building
  - Financing
- Monitoring & evaluation
- Dissemination, sharing

<sup>1</sup> http://ledsgp.org/working-groups/subnational-integration-of-leds

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## OECD's "Mind the Gaps" - Diagnostic Tool for MLG Coordination & Capacity Challenges

Information gap	Asymmetries of information (quantity, quality, type) between different stakeholders, either voluntary or not. => Need for instruments for revealing & sharing information
Capacity gap	Insufficient scientific, technical, infrastructural capacity of local actors, in particular for designing appropriate strategies => Need for instruments to build local capacity
Funding gap	Unstable or insufficient revenues undermining effective implementation of responsibilities at sub-national level or for crossing policies, => Need for shared financing mechanisms
Policy gap	Sectoral fragmentation across ministries and agencies. => Need for mechanisms to create multidimensional/systemic approaches at the sub national level, and to exercise political leadership and commitment.
Administrative gap	"Mismatch" between functional areas and administrative boundaries => Need for instruments for reaching "effective size"
Objective gap	Different rationalities creating obstacles for adopting convergent targets => Need for instruments to align objectives
Accountability gap	Difficulty to ensure the transparency of practices across the different constituencies => Need for institutional quality measurement => Need for instruments to strengthen the integrity framework at the local level => Need for instruments to enhance citizen's involvement

(Charbit, 2011)

Coordination &									
Capacity Challenges Policy & Action Pathway	Information Gap	Capacity Gap	Funding Gap	Policy Gap	Administrative Gap	Objective Gap	Accountability Gap	Others ??	
Strategic Planning/ agenda setting									
Political Leadership									
Stakeholder support									
Policy formulation/ approval (identifying & bridging policy gaps)									
Implementation (identifying & addressing barriers, capacity building, financing)									
Monitoring & evaluation									
Dissemination, sharing									