P01 / Greening state governance: a policy process perspective

Topic : POLICY PROCESS THEORIES

Chair : Zsolt Boda (ELTE Centre for Social Sciences)

Second Chair : Charlotte Halpern (Sciences Po Paris - Centre d'Etudes Européennes (CEE))

GENERAL OBJECTIVES, RESEARCH QUESTIONS AND SCIENTIFIC RELEVANCE

Green state governance has raised increased attention in the context of the environmental crisis (Ba?ckstrand and Kronsell 2015, Duit et al. 2016, Eckersley 2004 and 2020). However, the “green(ing the) state” literature applies more a polity- than a policy-centred approach. As for the policy studies, there is an imbalance: while the content of sustainable (energy-, transportation, agricultural etc.) policies has been extensively studied, the procedural and institutional aspects of the policy process enabling the formulation of those policy measures has received much less attention. Much has also been written on the “super wickedness” of such problems (Levin et al., 2009 ; Head 2019) as well as on the specific role of within-state “climate change makers” and to innovations in governance (Jordan et al. 2018), emphasizing the role of “new” discourses, actors, and policy tools (Hajer 1995; Jordan et al. 2003). However, less attention has been given to the policy process itself, in terms of governing resources, the preparedness of the central administration, the choice and selection of public policy instruments etc. Yet taking stock from the literature on public policy processes and acknowledging its political nature whether at policy formulation or at policy implementation stages (Zittoun et al., 2021), the process by which green state governance is made material through policy analytics, budgetary planning, enforcement procedures, is expected to come up against several barriers and to give rise to conflicts, both within and beyond the state apparatus. In addition, questioning whether the classic state apparatus is fit for meeting a challenge of unprecedented scale and delivering on large-scale, transformative changes, also led some authors to questioning the relevance of public policy research concepts and tools (Hausknost, 2020; Berglund et al., 2022). Moreover, others have highlighted potential contradictions with existing state-market-society relations, whether in democratic societies (Fischer 2019), in the context of democratic backsliding (Gomide et al. 2022), and in capitalist societies (Meadowcroft 2005; Hausknost 2023).

Taking stock from this burgeoning literature and acknowledging the need for more systematic and comparative work, this panel first proposes to identify 1) the challenges in the governance process that may hinder the formulation and implementation of green policies, 2) the possible institutional and/or organizational solutions to meet those challenges. Second, specific attention will be given to the governing of such processes, whether at policy formulation or policy implementation stages, by either giving specific attention to governing resources and capacities, or to the choice and selection of specific public policy tools.

CALL FOR PAPERS

This panel calls for papers examining the various ways in which green state governance enfolds across different political and institutional contexts. It purposefully focuses on within-public policy process dynamics, rather than a polity perspective or an issue-specific policy area. In doing so, it first seeks to contribute to a better understanding of the challenges that may hinder the formulation and implementation of green policies, whether in terms of governing resources (i.e. Hood 1983, nodality, authority, treasury, organization), climate delaying discourses (Lamb et al. 2020), the recruitment and the career of civil servants, etc. Second, it proposes to explore what possible institutional and/or organizational solutions have been introduced to meet those challenges, that is in their ability to overcome such barriers and strengthen the state’s preparedness to address the environmental crisis. Third, specific attention will be given to the governing of such processes, whether at policy formulation or policy implementation stages, by either giving specific attention to governing resources and capacities, or to the choice and selection of specific tools. Fourth, it proposes to examine the governing of such processes, whether at policy formulation or policy implementation stages, by focusing on governing resources and capacities, the choice and selection of specific public policy tools.

Papers addressing one or several of the following issues, whether conceptually or methodologically, are welcome:

- The challenges in the governance process that may hinder the formulation and implementation of green

policies;

- The possible institutional and/or organizational solutions to meet those challenges;

- The governing of transformative processes of change, whether at policy formulation or policy implementation stages

- The role of international (e.g., IPCC, OECD, etc.) and regional organizations (e.g., ASEAN, EU, etc.) in shaping policy agenda and developments through goals setting, as well as through the diffusion of specific public policy tools;

- Papers drawing on comparative public policy and governance analysis, to account for main differences and similarities across and within different regions.

P01 / Greening state governance: a policy process perspective

Chair : Zsolt Boda (ELTE Centre for Social Sciences)

Second Chair : Charlotte Halpern (Sciences Po Paris - Centre d'Etudes Européennes (CEE))

Session 1

Thursday, July 3rd 10:15 to 12:15 (A1)

Greening state governance: a policy process perspective

Zsolt Boda (ELTE Centre for Social Sciences)

Charlotte Halpern (Sciences Po Paris - Centre d'Etudes Européennes (CEE))

Green state governance has raised increased attention in the context of the environmental crisis (Ba?ckstrand and Kronsell 2015, Duit et al. 2016, Eckersley 2004 and 2020). However, the “green(ing the) state” literature applies more a polity- than a policy-centred approach. As for the policy studies, there is an imbalance: while the content of sustainable (energy-, transportation, agricultural etc.) policies has been extensively studied, the procedural and institutional aspects of the policy process enabling the formulation of those policy measures has received much less attention., whether from a polity perspective or to examine the “greening” of specific policy areas (e.g., energy, agriculture, housing etc.). Much has also been written on the “super wickedness” of such problems (Levin et al., 2009 ; Head 2019) as well as on the specific role of within-state “climate change makers” and to innovations in governance (Jordan et al. 2018), emphasizing the role of “new” discourses, actors, and policy tools (Hajer 1995; Jordan et al. 2003). However, less attention has been given to the policy process itself, in terms of governing resources, the preparedness of the central administration, the choice and selection of public policy instruments etc. Yet taking stock from the literature on public policy processes and acknowledging its political nature whether at policy formulation or at policy implementation stages (Zittoun et al., 2021), the process by which green state governance is made material through policy analytics, budgetary planning, enforcement procedures, is expected to come up against several barriers and to give rise to conflicts, both within and beyond the state apparatus. In addition, questioning whether the classic state apparatus is fit for meeting a challenge of unprecedented scale and delivering on large-scale, transformative changes, also led some authors to questioning the relevance of public policy research concepts and tools (Hausknost, 2020; Berglund et al., 2022). Moreover, others have highlighted potential contradictions with existing state-market-society relations, whether in democratic societies (Fischer 2019), in the context of democratic backsliding (Gomide et al. 2022), and in capitalist societies (Meadowcroft 2005; Hausknost 2023).

The paper builds on the meta-analysis of two rounds of literature review on the topic and aims at identifying those challenges in the governance process that may hinder the formulation and implementation of green policies on the one hand, as well as the possible institutional solutions to meet those challenges, on the other.

Greening the state through the “behavioral state”? Some reflections on policy design, target motivations, and unintended consequences.

Stefania Profeti (Università di Bologna)

Federico Toth (Università di Bologna)

Edoardo Carminucci (Università di Bologna)

In recent decades, the policy literature has increasingly emphasized that citizens must be activated, convinced, and motivated to collaborate with institutions to achieve policy success. In particular, the behavioral turn among policy scholars has gradually challenged the hegemony of so-called 'hedonic compliance-deterrence models', which assume that policy targets are essentially rational utility maximisers and that their behavior can be 'manipulated' through policy instruments that reward compliance and punish non-compliance. Indeed, the target population for any policy is made of a plurality of different individuals whose behavior may depend on a myriad of motivations in addition to self-interest, such as - to name but a

few - reciprocity, altruism, civic-mindedness, trust, but also, conversely, resentment, suspicion or spite. The economic and psychological literature has shown not only that the motivations behind people's behavior are multiple, but also that they can coexist within the same individual, differ in intensity, depend on the cultural context and social norms, and vary over time.

Translating these observations into the realm of public policies and their design, it is easy to see that policy recipients are 'moving targets' that are difficult to center and may respond to policy interventions in different and unpredictable ways. This poses a major challenge for policy designers especially if they must deal with policy goals whose achievement depends first and foremost on citizens' willingness (and capacity) to comply. Green (or sustainable) policies and pro-environment behavior are a good case in point: whether it is a question of reducing air pollution, waste production or, more generally, environmental protection, citizens will have to be open to change their habits, lifestyles and consumption patterns. Their willingness to cooperate and their sensitivity to policy instruments based on rewards and penalties will depend not only on instrumental considerations, but also on their level of concern, their habits, their civic awareness and the prevailing social norms in their own context. Designing policies able to strike a balance between extrinsic and intrinsic motivation of the final recipients is therefore a real conundrum for policymakers.

Starting from this premise and based on a secondary analysis of the existing literature, this paper has a twofold analytical objective: on the one hand, to map out the instruments that policymakers can combine to motivate citizens towards environmentally friendly behavior, using a classification that places them on a scale of intrusiveness based on behavioral assumptions. Secondly, to identify and discuss the potential side-effects and unintended consequences of such instruments in terms of their impact on the different motivations that drive policy targets towards compliance or non-compliance, using local cases of municipal solid waste management studied in the literature or presented in institutional reports. Finally, the analysis carried out will allow us to conclude with some recommendations for policymakers, such as identifying strategies for profiling and segmenting the target audience, or envisaging devices for involving citizens in the design of public policies.

(Virtual) THE POLITICS OF CLIMATE POLICY INSTRUMENTS: INVESTIGATING POLICYMAKERS' BELIEF SYSTEMS IN EU CLIMATE POLICY-MAKING

Anne Gerstenberg (Universität Hamburg)

The formulation of policies that meet the Paris targets is of utmost importance. To date, policy process theories do not sufficiently cover the politics of policy formulation and remain oblivious of policy instruments as normatively-charged meaning structures. We applied the belief-systems approach of the Advocacy Coalition Framework (ACF) to EU multi-level climate policy and its Emissions Trading System (EU-ETS) using semi-structured interviews, to uncover the respective beliefs of EU and German policymakers. Our results demonstrate that climate policy is politicized through its instruments despite seeming goal-unanimity. In five 'worlds of thought', we explicate 'appropriate' solutions (instrument-belief) as part of implicit ideational frames, constituted by a problem-representation (policy-beliefs) and belief-based visions of a climate-mitigated-world (core-beliefs). The main cleavage in EU climate policy-making moves around the state-market relationship between 'carbon pricing purists' and 'more helps more' policymakers who advocate for supplementary regulation, but many 'former purists' have come to terms with a policy-mix because of 'instrument-based learning'. Discursively marginalized degrowth-believer support the ETS out of pragmatism: 'better bad than nothing', while other 'false-flag' policymakers use the ETS as lip-service for ambitious climate policy but undermine it in reality in favour of industry-protection.

(Virtual) Is exclusion a prerequisite of (environmental) state performance? The legitimation conundrum of low-carbon transitions

Daniel Hausknost (Vienna University of Economics and Business)

As states get under mounting pressure to deliver on their decarbonization promises, they also face increasing resistance not only from incumbent industrial elites but also from their populations. What has become known as 'climate delay' and 'climate backlash' may be a sign of electorates fearing the loss of their dear 'world' at the hands of 'experts', 'elites' and 'bureaucrats'. The resistance against substantive climate policy in the name of the protection of 'our world' has become a successful mobilizing strategy of the populist right and of centrist parties in the global North. This rapidly developing cleavage in many electorates between proponents and opponents of climate policy points to a complex legitimation conundrum of climate politics. Despite irrefutable evidence that inaction will lead to catastrophic developments in the future, climate action suffers from a glaring legitimation deficit.

In this paper, I aim to tackle the conundrum from within a social-constructivist theory of legitimacy. I show that the legitimation deficit of climate policy does not result from a lack of knowledge (epistemic legitimacy),

nor from a lack of good arguments (normative legitimacy), but from a lack of what I call passive legitimacy (Hausknost 2023). Passive legitimacy is the effect of activities that reduce the need for political actors to actively legitimate social reality. In so doing it critically contributes to any social order's political stability.

There are three key mechanisms of passive legitimation: reification, exclusion, and performance. Reification refers to the confinement of the scope of social reality requiring active legitimation through the construction of an external (non-accountable) source of reality (like a God or a market). Exclusion refers to the confinement of the population to whom a social reality is in need of legitimation, for example, through the restriction of citizenship or the institution of slavery or imperialism. Performance, lastly, refers to activities that limit the scope and depth of questions of legitimacy, for example, through the provision of wealth and security.

While modern democracies have been traditionally strong at generating passive legitimacy, climate policy is undermining all three mechanisms of passive legitimation. To the extent that governments actively intervene into reality, they forgo the protective shield of market reification; to the extent that growth subsides, and fossil-fuelled convenience is reduced, states cease to perform as they did; and to the extent that climate justice is addressed, externalised burdens get re-internalised. As a result, the pressure on governments to actively legitimise inconvenient aspects of social reality is mounting, which fuels climate backlash.

One obvious way for states to protect their passive legitimacy under these circumstances is to boost their performance for those included by further building on the strategy of exclusion. This can be through the further restriction of citizenship (rights) or through neo-imperial modes of resource and labour provision, or both. I discuss the functional relationship between all three modes of passive legitimation, with a particular focus on the relationship between exclusion and performance, with special regard to current political developments. I conclude with an outlook on alternatives to exclusion.

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Session 2

Thursday, July 3rd 16:00 to 18:00 (A1)

The consumer, an ambiguous actor in European environmental policies.

Charlotte Halpern (Sciences Po Paris - Centre d'Etudes Européennes (CEE))

The consumer is identified, in the European Union's Green Deal, as a critical player in the delivery of the European environment and climate strategy. While already referred to in previous policy documents (Graziano 2013), sustainable consumption and, more generally, consumers gained new attention since 2018 and as part of the EU's efforts to deliver on the 12th sustainable development goal. Pre-existing policies were reexamined, a revised framework Directive was adopted in 2024. The European Environmental Agency drew on the Planetary boundaries framework to document the EU's consumption-based performance as well as its dependency on resources extracted or used outside the EU (EEA, 2020, 50-53). A new 2020-2025 Consumer policy agenda was adopted. Together, these policy developments provided additional resources to empower consumers for the green transition by protecting them against greenwashing and by providing better information.

Yet several policy observers have wondered whether these policy developments and new policy instruments were "old wine in new bottles" (Jordan et al., 2005), questioning the degree of change and the role of influence strategies in shaping the choice and selection of European public policy instruments. In addition, recent assessments of the EU consumption footprint between 2010 and 2022 suggest limited progress: while having drastically reduced during the COVID-19 crisis, the level reached in 2022 returned to that of 2019 albeit some differences between member states (Eurostat, 2024).

Drawing on a literature review and a document analysis of major policy strategies between 1990 and 2024, this paper has several objectives: 1) To characterize sustainable consumption policy developments in the EU, by focusing on evolving policy objectives, instruments and main stakeholders ; 2) To identify the main drivers and to assess degrees of policy change by examining the concrete ways through which the greening of EU consumption policies has taken place. The paper begins with a literature review to examine how demand-side adjustments to the green transition have been addressed in different traditions of scholarly work. It then continues with a long-term analysis of EU policy developments from the 1990s onwards, in order to identify evolving policy objectives, instruments and stakeholders over time, including the shift away from a consumer protection agenda towards a sustainable consumption agenda. It then focuses on the process leading to adoption of the 2024 Directive and what influence strategies sought to shape competing narratives, dominant policy analytics, and the selection of public policy instruments.

Bureaucratic autonomy and policy capacity: variances of flood-risk management in subnational governments in Brazil

Fernanda Lima-Silva (Universidade de São Paulo)

Catarina Segatto (Universidade de São Paulo)

Socioenvironmental crises have become more frequent and intense in recent decades, often linked to climate change. Both are considered "super wicked" problems due to their complex, multifaceted causes and unpredictable, interconnected impacts (Brinkmann, 2020; Levin et al., 2012). As a result, there is an ongoing debate about how governments can adapt to this evolving landscape.

One strand of research explores green state governance, examining the state's role in driving sustainability and climate transitions. While this area has gained traction, further theoretical and empirical studies are

needed (Backstrand & Kronsell, 2015). Another line of inquiry focuses on governmental responses during crises - periods marked by high uncertainty and disruptions -, when policymakers are pressured to make rapid decisions and implement quick solutions. Recent studies point that traditional public management and policy responses are often inadequate (Head, 2019), and the impact of crises depends on internal factors such as political legitimacy, policy design, and institutional capacity (Capano & Toth, 2023). Despite these discussions, less attention has been given to the policy process itself - particularly the administrative and institutional mechanisms that shape policy formulation and implementation at the subnational level.

This study contributes to this debate by analyzing the role of municipal governments in flood risk management in Brazil—an area of public policy with limited federal coordination. Bridging the recent debates on crises management and municipal state capacity, we explore how local political priorities and subnational institutional factors, such as bureaucratic autonomy, policy capacity and previous legacy, affect local governance and policy arrangements and outcomes.

Methodologically, we conduct a comparative analysis of two Brazilian cities—Rio Branco (Acre, North) and São Paulo (São Paulo, Southeast)—both of which frequently experience flood-related disasters. Our research triangulates data from official documents, academic literature, and semi-structured interviews with professionals and experts involved in flood-risk management.

Our findings suggest that municipal governments have considerable autonomy in designing policy responses to socioenvironmental disasters adapted to their contexts, even though their policies tend to prioritize disaster preparedness and response over preventive measures. The development of these policies can be explained by the interplay of the capacities and coordinated autonomy of bureaucrats and organizations, their interactions with political institutions, and the existing policy legacy. Additionally, adaptation to territorial characteristics plays a crucial role in shaping local responses. This study enhances our understanding of how subnational governments navigate socioenvironmental crises, offering insights into what influences local policy effectiveness in disaster management.

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Capano, G., & Toth, F. (2023). Thinking outside the box, improvisation, and fast learning: Designing policy robustness to deal with what cannot be foreseen. Public Administration, 101(1), 90-105.

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What if public policy research could save the planet ? From ENA to INSP, the challenges of training senior civil to green governance

Céline Husson-Rochcongar (INSP - Institut National du Service Public)

Sebastien Kott (INSP - Institut National du Service Public)

For practitioners of contemporary public action in France, as well as for its analysts, the ecological transition is omnipresent. It has led to the establishment of interministerial structures, such as the General Secretariat for Ecological Planning (2022), and the adoption of various 'national strategies' or 'action plans', such as the Action Plan for Successful Ecological Transition presented by the President of the Republic on September 25, 2023. However, the agenda-setting of environmental policies, now articulated around five strategic issues (health, climate, resources, biodiversity, and adaptation), also leads to the development of a set of public policy mechanisms that ultimately form a kind of normative and institutional nebula.

In this context, the new Institut national du service public (INSP) was set up in January 2022 as the new training institution for senior civil servants in France, to replace the former Ecole nationale d’Administration (ENA), as the application school for future public decision-makers. Founded in 1945, the ENA trained four of the five presidents of the French Republic, nine of its prime ministers, as well as numerous ministers and senior ministry officials. Its successor is nowadays the French leading operator for the recruitment, initial training and also continuing training of senior civil servants and state leaders, which represents approximately twenty-five thousand people.

The founding of the INSP was marked - symbolically and unprecedentedly - by the creation of an autonomous Research Directorate, as well as by the introduction of a PhD program for senior civil servants, with the main objective of training senior civil servants who know how to implement the ecological transition. The aim of this paper is to analyze the process of innovation through research that has been unfolding since January 2022 at the Institut national du service public for this purpose. This paper (whose author held the

position of Director of the Research Directorate of the INSP since its creation) examines this reform, looking first at the innovative governance process involved in creating a Research Directorate, and secondly at the effects of this administrative reform on the training of senior civil servant students in the challenges of green innovation in policymaking. More than dissemination of a scientific culture, this Research Directorate as to mission to train senior civil servants to mobilize science in state governance.

This proximity to the object under study raises a classic methodological difficulty in ethnographic research (Dubois and Lotta, 2024) and studies based on participant observation. But, supplemented by the mobilization of various documentary sources, it also provides an unprecedented opportunity for research into a process of green governance innovation in the making, and to grasp it as a policy process, through its phases of agenda-setting, formulation, decision-making and implementation.

Conceptually, what's the meaning of introducing a "research skill" in the training of senior civil servants, designed as inseparable from their other skills, at the very heart of the INSP? But, moreover, methodologically, how is this skill used, through an interdisciplinary approach, to question forgotten innovation phenomena (Brans and Pattyn, 2017) or future innovation processes, in terms of green governance, by crossing the viewpoints of academics, civil servants and INSP students. In this way, the paper examines the relationship between green governance, innovation by research and policy learning from the very beginning of the training of senior civil servants, paving the way for international comparisons and discussion with European schools of administration (Husson and Hélie, 2024 ; IIAS, 2025) and training institutions in other countries.

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The Role of Issue Ownership in Green Budgeting Practices: A South Korean Government Case Study.

Minjung Kim (Sungkyunkwan University, Republic of Korea)

Rosa Minhyo Cho (Sungkyunkwan University)

The escalating environmental crisis has heightened the adoption and implementation of new strategies aimed at facilitating the ecological transition (Bova, 2021; Duit, 2016; Eckersley, 2022). The Paris Agreement in 2015 played a pivotal role in expediting this process by requiring participating states to establish carbon reduction targets, known as Nationally Determined Contributions (NDCs) (Jernnäs, 2024; Mulatu et al., 2024).

As a means of fulfilling NDCs, greening states have adopted green budgeting to enhance the alignment of budgetary policies with environmental objectives. Green budgeting is a fiscal policy instrument that involves identifying and assessing the environmental and climate-related impacts of budgetary allocations based on specific performance indicators (Azzahra et al., 2022; Bova, 2021; OECD, 2022). However, the implementation of this measure serves not only as a competitive strategy but also, in some cases, as a symbolic or reputational initiative (Duit, 2016; OECD, 2022). Despite the growing adoption of green budgeting, limited attention has been given to how its application varies across government ministries, which are the actual policy implementers (Azzahra et al., 2022; Bova, 2021; Lu et al., 2020; Russel & Benson, 2014). Furthermore, research has yet to adequately examine the factors influencing these variations in policy implementation (Eckersley, 2004, 2022; Kurniawan et al., 2020).

Existing policy-relevant research on the greening and sustainable policies has predominantly focused on analyzing the costs and benefits of particular policy option, often neglecting the procedural and institutional dimensions of the policy process (Bäckstrand & Kronsell, 2015; Bova, 2021; Eckersley, 2004, 2022; Jordan et al., 2003, 2018; Kurniawan et al., 2020; OECD, 2020, 2021; Russel & Benson, 2014). However, these aspects are essential for ensuring the effective implantation and governance of green state policies (Ariffin, 2010; Head, 2019; Levin et al., 2012). While greening states have adopted innovative policy tools, their successful impact cannot be guaranteed without proper policy integration and institutional support.

To address this gap in the literature, this study investigates why certain ministries is actively comply with

green budgeting, whereas others implement it only passively. The analysis was conducted using Atlas.ti qualitative software, employing a hybrid thematic analysis approach (Cordella & Paletti, 2019; Fereday & Muir-Cochrane, 2006). The primary sources of analysis include government documents such as South Korea's National Budget Proposal (2023–2024), the Budget Settlement Report (2023–2025), statistical data, and academic literature.

Through an in-depth case study of central government ministries in South Korea, the study finds that issue ownership of climate change among government ministries significantly influences their commitment to implementing green budgeting. Additionally, the absence of incentive mechanisms and structural factors—particularly power asymmetries between ministries and agencies—serve as critical barriers to the adoption of green budgeting. The study further discusses the policy implications derived from these findings.

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Session 3

Friday, July 4th 08:00 to 10:00 (A1)

The Dominance of Hydraulic Megaprojects Over Green Initiatives: Insights from Mexico City's Deep Drainage System and Texcoco Project

Jose Alberto Nochebuena (Universidad Nacional Autónoma de México)

Abstract. Why do water and sanitation policies rooted in "grey infrastructure" often prevail over sustainable water policies based on "green infrastructure"? While numerous explanations have been offered—ranging from political economy theories to urban growth coalitions and the reproduction of hydraulic culture—there remain significant gaps in understanding how the actions of policy stakeholders influence this dominance. To address this question, this study examines the case of Mexico City by comparing the Texcoco Project, a "green" water and sanitation megaproject, and the Deep Drainage System, a "grey" sanitation megaproject. By analyzing the actions of key stakeholders for each initiative, the study seeks to determine whether the dominance of the Deep Drainage System can be attributed to specific strategies employed by its advocates. The research employs a qualitative methodology, utilizing a most-similar case design and drawing on original sources, including the personal correspondence of Arthur Casagrande—advisor to the Texcoco Project—found in the Harvard University Historical Archive, as well as governmental documents retrieved from specialized libraries and the Historical Archive of Mexico City. The findings reveal that "grey infrastructure" megaprojects are distinguished by their reliance on technical boldness, a strategic approach characterized by the persistent pursuit of the approval and implementation of technically viable policies. In contrast, such strategic actions are often less evident in "green infrastructure" initiatives. This study argues that stakeholders of sustainable water policies must adopt similar strategic approaches to advance a more ecologically sustainable urban future.

The use of green bonds in Belgium: greening the state through a financial instrument

Loris GATHY (Université de Liège)

The goal of this paper is to explore the close connection between the economic governance of the European Union (EU) and its ambition to become a world leader on green governance. To do so, we propose to explore the creation and spread of an understudied instrument within the political science sphere: the public green bond. The public green bond is a financial instrument similar to a regular bond, with the key difference being its commitment to funding green projects. Our approach on public green bonds is two-fold. First, we consider it as an “instrument” from a “public policy instrument” perspective, implying that it carries with it certain representations and ideas, instead of merely being an objective tool. Second, we want to use a multi-level governance approach in order, from a horizontal perspective, to highlight the roles played by international organisations and financial actors in the construction of the public green bonds and, from a vertical perspective, to study how a federal state and its federate entities issue those bonds.

We argue that public green bonds find themselves at the crossroad of three converging threads. First, environmental issues have been taking a prevalent role on the EU agenda. Second, the financialization process that has seen the rise of financial actors, markets and instruments within states, has directly impacted the way environmental issues are perceived. Third, the European Union has both reinforced its climate ambitions and its fiscal governance over the past 15 years. The green bond is thus a financial instrument that could help EU member states finance their green projects while abiding by the laws of the financial markets. In order to study these green bonds, this paper dwells on the Belgian case through three entities: the Federal state, the Walloon Region, and the Flemish Community. The choice of Belgium is motivated by three main reasons. First, Belgium is a deeply divided country. Due to cultural, social and political differences, six states reforms were voted since the 1970s and have turned Belgium into a

convoluted Federal state. Second, these divisions have led to vastly different administrative and political cultures within the country, as well as differing economic situations. Third, these three entities face different levels of overall indebtment.

In light of these elements, the research question of this paper is: how does the use of public green bonds differ in the Belgian Federal state, the Walloon Region and the Flemish Community? To answer this question, the paper relies on a series of semi-directed interviews conducted with (high) civil servants and members of cabinets directly involved in their. The paper would be relevant to the panel due to its focus on three elements. First, it aims to understand how European fiscal constraints shape the use of an instrument aimed at funding green projects. Second, its goal is to map the different international organisations that actively participate in promoting this instrument. Third, it serves as comparison between three entities that are vastly different.

Green Bonds or Green Chains? Assessing Financial Subordination in the Green Finance Transition

Max Nagel (Vrije Universiteit Brussel)

Does the green finance transition reduce or reinforce financial dependency in the Global South? Green financial instruments — including green bonds and loans, debt-for-climate swaps, and regulatory changes— have gained traction. However, questions remain about whether the benefits of this green transition outweigh the costs linked to the financialization of climate change risk in the Global South. This paper examines the relationship between green finance and financial subordination by examining how state strategies to promote green finance vary across Latin America. It argues that differences in ideational legacies within national bureaucracies and the structure of national financial systems help explain the observed variations in integrating green finance. Analyzing laws and regulations, central bank and finance ministry documents, and descriptive statistics, the study reveals that while these strategies can mobilize national resources, they also risk increasing reliance on foreign capital and exposure to new financial vulnerabilities. These findings offer insights into the unintended consequences of financializing climate action in the Global South.

From ICMS-E to Ecological IBS: Environmental Fiscal Transfers and Green Governance in Brazil

Biancca Castro (Universidade Federal Rural do Rio de Janeiro)

Maira Spanholi (Universidade do Estado de Mato Grosso)

Marcello Oliveira (UFRRJ)

The article analyzes the incorporation of environmental criteria into the fiscal transfer established by the Tax Reform approved in Brazil in 2024. The country, organized in a tripartite federation (Union, states, and municipalities), had until then a model in which the states collected the Tax on Circulation of Goods and Provision of Services (ICMS) and passed on part of the revenue to the municipalities. The states had the authority to establish their criteria for these transfers, which could include environmental considerations—known as Ecological ICMS.
The Ecological ICMS, created in Paraná in 1991, played a crucial role in financing environmental actions by rewarding municipalities that implemented ecological conservation measures, such as the creation of Protected Areas and the protection of water sources. This model allowed states autonomy in defining transfer percentages and criteria, resulting in a diversity of approaches reflecting regional socio-environmental realities. However, in 2024, only 20 of the 27 states adhered to the policy, limiting its impact at the national level.
The 2024 reform simplified the tax system, replacing the ICMS with the Goods and Services Tax (IBS), a value-added tax managed by a central committee. In the new model, 5% of the states' IBS will be transferred to municipalities based on environmental criteria, ensuring the continuity of financial incentives aimed at sustainability. However, the percentage is now fixed and mandatory for all states, which can still define the distribution criteria for municipalities.
The new tax transfer obligation has institutionalized the need for public environmental governance and coordinated activities among environmental agencies of different spheres. This provides new opportunities to strengthen environmental governance, requiring greater integration between the municipalities, states, and the federal government. Through the centralized coordination of the Ecological IBS, it will be possible to establish minimum national parameters that ensure equity in the distribution of resources and promote the adoption of environmental practices in line with the international sustainability commitments made by Brazil, such as the Sustainable Development Goals (SDGs).
The transition from the Ecological ICMS to the Ecological IBS opens up new possibilities for environmental

financing in Brazil but requires attention to regional specificities and institutional strengthening so that progress can be translated into concrete benefits for society and the environment.
Based on literature review of environmental governance and coordination, along with a legal analysis, we will identify the states that currently implement fiscal transfers based on environmental criteria. We will examine what these criteria are and the governance structure surrounding them. Additionally, we will outline the new rules of the ecological IBS that have been established, along with its proposed operational framework. The goal is to discuss how the transition from the ICMS-E to the ecological IBS will impact environmental policies in Brazil.

Environmental policymaking in Bangladesh: where state capacity takes a backseat

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The number of environmental regulations in Bangladesh have steadily increased in the last two decades to address a myriad of issues. The regulations adopt a command-and-control approach with a major focus on permitting activities but followed up with limited enforcement to check compliance. The key regulatory agency is the Department of Environment (DoE) whose operation is hampered by (a) gaps in their organizational structure and environmental regulations; (b) insufficient budgetary and human resources; (c) capacity constraints for research, monitoring, and enforcement activities; (d) limited public participation and transparency in monitoring, oversight, and decision-making; and (e) insufficient coordination among public agencies at the national and local levels. This low state capacity has rendered Bangladesh's environmental management framework ineffective in reducing environmental degradation. Yet the increasing number of regulations barely discuss organizational resource needs in implementing those regulations. The approach to addressing organizational resource needs have also become piecemeal and fragmented. For example, under the current World Bank project called Bangladesh Environmental Sustainability and Transformation (BEST), 900 staff will be recruited based on a new organogram and environmental cadre for improved DoE infrastructure. However, it is unclear if such project model external interventions to increase a country's regulatory agency's workforce and its capacity can last beyond the project duration. This study aims to capture the disconnect through a chronological narrative of regulatory history and organizational indicators of DoE such as annual budgets and human resources available. The existing organogram will also be critically analyzed to check if specialized units followed the specialization of laws and regulations. The narrative is then validated with semi-structured interviews of experts, academics and current and former bureaucrats. Insights from this study can usher in reforms to overcome shortcomings in environmental governance framework and build dynamic capacity to expand beyond command and control.

Leveraging Boundary Objects for Participatory Governance in India's Environmental Policy Process

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India's environmental policy has evolved significantly. This evolution is driven by legal frameworks such as the Forest Conservation Act (1980) and global commitments like the Paris Agreement (2015). The growing emphasis on sustainability has further influenced this development. Despite progress, challenges such as bureaucratic inertia, policy implementation gaps, and inadequate community engagement persist, limiting the effectiveness of environmental governance. The 1990s marked a shift toward participatory governance catalyzed by grassroots movements like the Chipko Movement and judicial interventions that emphasized community involvement in environmental conservation. However, barriers such as socio-cultural exclusions, political interference, and capacity gaps at the local level continue to undermine these participatory efforts.

Boundary objects—tools, concepts, or practices that foster collaboration across diverse stakeholders—have emerged as essential facilitators of inclusive governance. Examples include participatory maps and gender-sensitive frameworks, which enable knowledge exchange, co-creation, and alignment of diverse stakeholder goals. Boundary objects bridge gaps between national policies and local realities. They offer a flexible yet structured approach to sustainable governance.

Case studies illustrate their potential: the West Bengal participatory forest management initiative transformed forests into shared resources, aligning conservation goals with community livelihoods. The Sukhomajri watershed project employed check dams and benefit-sharing agreements to unify ecological and economic objectives, fostering trust and cooperation. The Biological Diversity Act (2002) employed People's Biodiversity Registers and Access and Benefit-Sharing mechanisms. These tools integrated traditional knowledge with scientific frameworks to ensure equitable conservation outcomes.

To address wicked problems such as climate change and biodiversity loss, this paper advocates for

strategically incorporating boundary objects into India’s environmental governance frameworks. These tools foster collaboration, enhance adaptability, and support long-term sustainability. Participatory governance facilitated by boundary objects offers a promising pathway for policy development. Such that the policies are responsive to diverse stakeholder needs and remain grounded in local contexts.

Environmental Policy, Participatory Collaboration, Boundary Objects, Sustainable Governance, India