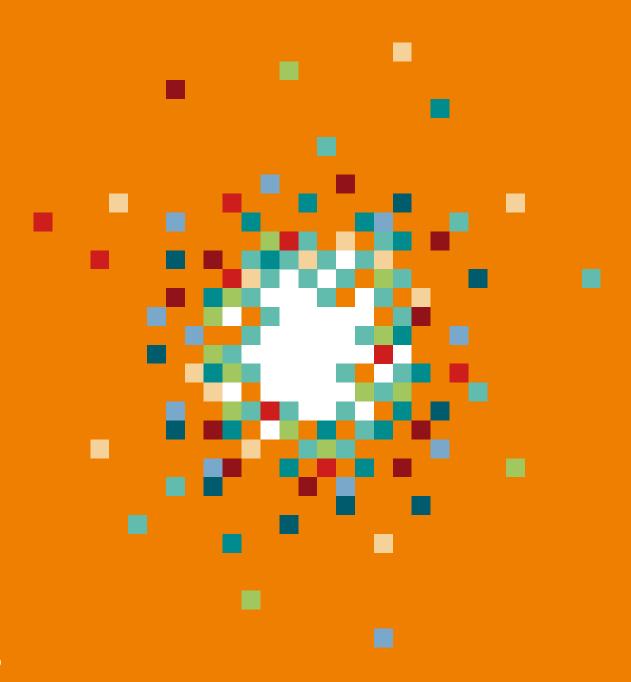


Advancing climate action through laws and regulations:

Lessons learned from the NDC Support Programme (2017–2025)



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Acronyms

EU European Union
 GHG Greenhouse gas
 LECB Low Emission Capacity Building
 MRV Measurement, Reporting and Verification
 NDC Nationally Determined Contribution
 NDC SP NDC Support Programme
 UNDP United Nations Development Programme
 UNFCCC United Nations Framework Convention on Climate Change

Executive summary

Effective implementation of NDCs benefits from strong domestic institutional and regulatory frameworks that integrate climate objectives into public decision-making, enable coordination among government units and enhance accountability for implementation.

A growing number of countries are adopting comprehensive or framework climate change laws and related regulations to enable the effective planning and delivery of NDCs and national climate priorities. Other countries are advancing climate action by integrating related provisions into their environmental and other sectoral laws. By embedding NDCs into legally binding national frameworks, these laws and regulations establish clear mandates for implementation of emissions reductions and adaptation objectives while ensuring government accountability of climate commitments' implementation.

As a multi-partner initiative, the NDC Support Programme (NDC SP) of the United Nations Development Programme (UNDP) supported countries in advancing integrated climate and development solutions through the implementation of the Paris Agreement. This included assisting 13 countries to develop and strengthen legislative and regulatory frameworks: Albania, Argentina, Chile, Colombia, Costa Rica, Côte d'Ivoire, the Democratic Republic of the Congo, Morocco, Nigeria, Pakistan, Peru, Viet Nam and Zambia.



This publication, part of a learning series from the NDC SP, examines experiences with reforms to climate and environmental laws and regulations in four programme countries—Albania, Chile, Peru and Viet Nam. It is based on a review of relevant policy and legal documents, UNDP project reports, and semi-structured interviews with 10 experts, including current and former national government officials, UNDP country and regional staff, and national policy experts involved in regulatory reforms in the selected countries.

Each piece of climate change legislation reflects the unique institutional and governance structures of the country that adopts it. Legislation can range from framework or environmental laws to specific decrees and acts that build on existing policies and governance structures. While some governments opt for comprehensive climate framework laws, others may prioritize more targeted regulations based on specific national priorities to achieve their climate objectives. However, while laws and regulations may vary across nations, they share common features in their mandate and design that influence the quality and effectiveness of their outcomes.

Based on this research, seven key lessons are presented for stakeholders similarly seeking to improve NDC implementation though climate change laws and regulations:

- Strong legislative frameworks strengthen governance and enable the mainstreaming of climate change across sectors and governance levels. A climate change framework law can build consensus and improve coordination on climate action and take responsibility for climate change beyond the purview of traditional stakeholders such as environmental ministries.
- Support for regulatory reforms requires a deep understanding of national context and political feasibility, strong government partnerships and engagement of national experts. Countries must assess their strengths and limitations and determine the best route to accomplish their goals.
- Shortening funding cycles are not compatible with the long-term commitment and continuity of funding necessary for legislative reforms. International cooperation can provide an important counterweight to the pressures of domestic politics, though it is not immune to short-termism.
- Investment in shared understanding and capacity-building among key actors is necessary for successful regulatory reforms. Sectors and ministries that are not typically involved in climate action need to understand the purpose behind the reforms to gain their buy-in.
- Meaningful public participation and stakeholder consultation are essential for improving the quality and sustainability of laws and regulations and their implementation. Engaging the public on climate change laws leads to more inclusive measures and a citizenry that is more likely to hold authorities accountable.
- Regulatory instruments must come with clarity regarding financing mechanisms. It is important to understand what resources will be needed to carry out new climate obligations and where those resources will come from.
- Regulatory reforms require supporting institutions that oversee decision-making and actors likely to withstand political change. Involving non-state actors and the private sector can help ensure that climate change remains a focus from government to government.

However, despite successes in advancing climate legislation, the constrained funding landscape and shortened project cycles for climate change development cooperation present challenges for supporting legislative and regulatory reforms that require long-term interventions. Countries seeking assistance in this area will need to adopt a more strategic approach to international climate finance and enhance national coordination and planning. Additionally, closer coordination among donors and implementing agencies will be essential to align different programmes to build the long-term support necessary for strengthening governance and regulatory frameworks.

Introduction

Over the years, the NDC SP has played a crucial role in developing and operationalizing national climate change and environmental laws to advance integrated governance processes for NDC planning and implementation (Box 1 provides a brief background on the programme's scope).

The purpose of this publication is to provide lessons learned under the NDC SP from partner country experiences on developing legislative and regulatory frameworks for effective climate governance. It highlights good practices that can strengthen NDC planning and implementation. These insights may also be useful to governments as they revise and submit NDCs in the 2025 submission cycle and move to implementation.

Box 1

Background to UNDP's NDC SP

The NDC SP, launched in 2017, supported 46 countries and 1 territory in implementing their NDCs under the Paris Agreement. The NDC SP sought to drive transformational change by scaling up climate investments. The programme's resources exceeded US\$74.7 million, with contributions aimed at enhancing the capacity of governments to deliver on their climate commitments. The programme focused on six key result areas underpinned by peer-to-peer knowledge-sharing and advocacy efforts:

- Leadership strengthened and championed to promote ambitious climate change vision;
- 2. Integrated governance enhanced to deliver NDC outcomes;
- Evidence-based design and planning of mitigation actions delivered;

- 4. Capacities developed to design climate-friendly investment opportunities, address investor risk, and blend and catalyse climate finance;
- 5. Enabling environment enhanced for private sector engagement; and
- Alignment between COVID-19 recovery efforts and NDC enhancement and implementation processes strengthened.

The NDC SP was part of an ongoing effort that integrates previous and current initiatives, demonstrating the continuity and evolution of UNDP's support for climate action. Many NDC SP results built upon the Low Emission Capacity Building (LECB) Programme and, in many cases, are now being sustained and scaled up through the UNDP's Climate Promise portfolio.

Over the programme's lifetime, 37 countries undertook a wide range of efforts under key result area 2 on enhancing integrated governance to deliver NDC outcomes. This included 13 countries that developed and strengthened climate change and environmental laws or regulations: Albania, Argentina, Chile, Colombia, Costa Rica, Côte d´Ivoire, the Democratic Republic of the Congo, Morocco, Nigeria, Pakistan, Peru, Viet Nam and Zambia. In many cases, NDC SP support included systematic and targeted efforts to integrate gender considerations into legal frameworks and regulatory processes.

This publication describes the approaches taken in four of these countries: **Albania, Chile, Peru** and **Viet Nam**. The case studies examine the country context and key developments of specific legal and regulatory interventions supported by UNDP. Based on these four cases, the report also offers insights and recommendations for international climate change cooperation initiatives that support legal framework reforms.

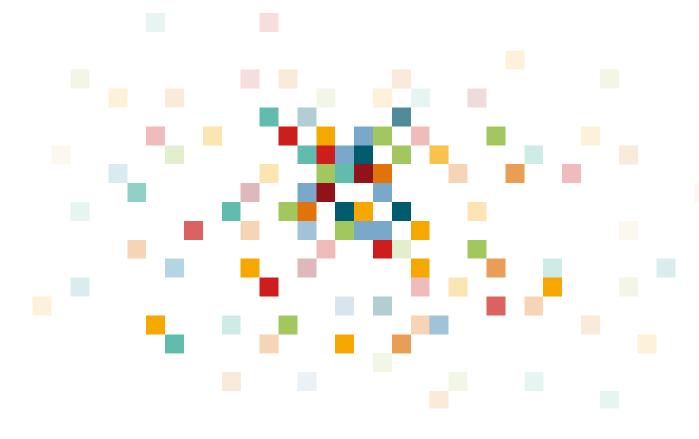
Context and relevance

Effective implementation of NDCs requires strong domestic institutional frameworks that connect various sectors and governance levels (Dubash, 2021; Zwar et al., 2023). Law is a critical tool for climate governance, enhancing accountability, empowering government action, fostering social consensus and resisting adverse political changes (Mehling, 2015; Scotford and Minas, 2019; Averchenkova et al., 2021 and 2024). Climate framework laws establish institutions and processes to integrate climate action into broader governance structures, promote coordination among government units and strengthen support for ambitious action (Mcilhennon and Brennan, 2023; Averchenkova et al., 2021 and 2024).

Aligned with the principles of the Paris Agreement, national climate change legislation (commonly referred to as climate legislation) is increasingly being adopted worldwide as a legal foundation for governing climate action (Koehl and Higham, 2022). "Climate legislation" is often used broadly to include acts, decrees and policies that are passed or promulgated by both legislative and executive branches of governments. When acts are created by a legislative body, such as a parliament or national assembly, they are typically accompanied by a suite of regulations to enable the law's implementation and enforcement. Laws and regulations can address actions that fall under the scope of climate change mitigation, adaptation and disaster risk management. They can be applied across different sectors or focus on one—most commonly energy, transportation, forestry, buildings, agriculture, water, industry, waste and environment.

Under the <u>Paris Agreement</u>, parties are required to prepare an NDC, to update it towards higher ambition every five years and to pursue domestic measures with the aim of achieving the NDC (Article 4, paragraph 2). However, achievement of the NDC itself is not a legally binding commitment (Rajamani and Brunnée, 2017) unless it is embedded into the domestic legal frameworks. Box 2 explores the connection between the Paris Agreement and national climate legislation.

A growing number of countries are adopting comprehensive or framework climate change laws and related regulations to enable effective planning and delivery of NDCs and national climate priorities. Other countries are advancing climate action by integrating provisions related to climate action into their environmental and other sectoral laws. By embedding NDCs into the legally binding national frameworks, these laws and regulations establish clear mandates for mitigation and adaptation actions and create or strengthen government accountability for implementation of commitments.



Box 2

Linkage between the Paris Agreement and national climate legislation

The Paris Agreement is a landmark international treaty adopted by Parties to the United Nations Framework Convention on Climate Change (UNFCCC) in 2015 to address climate change and its impacts. It marks a significant achievement in global cooperation to address climate change. In the Agreement, Parties committed to limiting temperature increase to well below 2 degrees Celsius above pre-industrial levels and making efforts to further limit it to 1.5 degrees Celsius. The Agreement emphasizes the importance of reducing greenhouse gas (GHG) emissions, enhancing adaptive capacities and increasing the availability of financial support for developing countries. Under the Agreement, Parties are required to submit NDCs that reflect their climate action plans every five years.

While the Paris Agreement does not explicitly mandate climate change legislation in its text, the Agreement establishes clear expectations for systemic and transformative national climate action. To meet these obligations, countries need robust governance systems and processes, including legal and regulatory frameworks, to enable effective NDC implementation, monitoring, and compliance.

Climate legislation and regulation supported under the NDC SP in the case study countries featured in this report varied in scope and focus and included examples of key provisions to address:

- Governance and institutional arrangements, including setting mandates for ministries, agencies or other institutional organisms to oversee climate policy.
- Transparency and accountability to institutionalize Measurement, Reporting and Verification (MRV) systems.
- Long-term planning and carbon neutrality, establishing net-zero targets, carbon budgets, and pathways to carbon neutrality.
- Climate finance and market mechanisms, including provisions on carbon pricing, and emissions trading systems that support Article 6 of the Paris Agreement, which enables international cooperation through market and non-market mechanisms.
- Adaptation and resilience, defining responsibilities for national and local governments to integrate adaptation into policies, planning, and management.
- Public participation, promoting inclusive decision-making, ensuring ownership, accountability and engagement of a country's stakeholders and communities.

National approaches to legislative reform under the NDC SP

Effective implementation of NDCs benefits from strong domestic institutional and regulatory frameworks that integrate climate objectives into public decision-making, enable coordination among government units and enhance accountability for implementation. Laws and regulations are critical tools for reaching these objectives.

The following country case studies examine experiences with reforms to climate and environmental laws and regulations in four programme countries—Albania, Chile, Peru and Viet Nam. They are based on a review of relevant policy and legal documents, UNDP project reports, and semi-structured interviews with 10 experts, including current and former national government officials, UNDP country and regional staff, and national policy experts involved in regulatory reforms in the selected countries.

The examples illustrate different approaches to strengthening the enabling environment to advance climate action delivered with NDC SP support. Chile and Peru were supported on different aspects of their comprehensive climate change framework laws, while Albania focused on a forestry law and Viet Nam prioritized enhancing climate-related provisions in environmental protection legislation.

Reforming forest legislation in Albania

The domestic response to climate change in Albania is guided by a **2020 Law on Climate Change** (<u>Law 155/2020</u>), with the purpose of "contributing to the country's reduction of GHG emissions, to adaptation actions, and to global climate change efforts by ensuring obligations of the Republic of Albania to the UNFCCC are being met." The law mandates regular approval of the Climate Change Strategy by the Council of Ministers, supplemented by the National Greenhouse Gas Mitigation Plan and National Plan for Climate Change Adaptation.

Albania submitted its revised first NDC in October 2021, targeting a 20.9 percent GHG emissions reduction below the business-as-usual scenario. In doing so, it increased its ambition from the initial NDC target of 11.5 percent reduction in GHG emissions by 2030 compared to 2016. A significant portion of the NDC ambition relies on carbon sequestration and forest management, including targets for new afforestation of over 300 hectares annually, improved sustainable forest management of up to 5,000 hectares per year, and increased grasslands.

However, Albania has a long tradition of forestry and wood processing, and economic development of the forest sector has been largely based on exploiting domestic forest resources for milling and furniture. Albanian forests have suffered from poor management and lack of protection, as well as forest fires, leading to severe degradation in many areas. Developing a robust regulatory framework for afforestation, conservation and sustainable forest management was therefore a priority for Albania's climate response and sustainable development strategy.

Over the past 20 years, Albania's forest sector has undergone significant reform through decentralization, transferring responsibilities from national to local authorities. The **2020 Law on Forests** (Law 57/2020) aimed to rehabilitate degraded national forests and is partially based on European legislation (FAO, 2005a). It also introduced provisions for payment services. However, challenges persisted, including unclear procedures for managing traditional forest land in protected areas and lack of details on the payment schemes. Based on the territorial reform and new administrative organization, the Law on Forests promoted the gradual transfer of natural resource management to local governments, the strengthening of public and civil society roles, and the promotion of community forestry by granting usage rights to end users. While municipalities are now responsible for managing forest resources and implementing forest policy, they face challenges to effectively fulfil their responsibilities due to limited capacity, funding and infrastructure.

In addition, a **10-year moratorium on forest cutting** established in 2016 ends in March 2026 (Law No. 5/2016), providing limited time for the government to finalize legal frameworks for sustainable forest management and conservation and clarify municipal roles. As part of its European Union (EU) membership negotiations, Albania must also align its legal frameworks with European directives, including finalizing forest sector by-laws by 2027/2028 to avoid EU fines. The Ministry of Tourism and Environment coordinates with line ministries on environmental

and climate issues and develops by-laws under the Law on Forests, while the National Forest Agency serves as a bridge between central and local governments to monitor municipal forest management. However, most municipalities, especially smaller ones, rely on ministry support for preparing required forest management plans. Only 10 were completed as of January 2025 and 40 remain to be completed before the moratorium expires. Municipalities are also required to reinvest income from forest use contracts back into the sector, but this has not yet been implemented.

Key milestones under the NDC SP

In this context, the NDC SP helped strengthen the legal framework for forest protection and management by supporting the development of two by-laws under the 2020 Law on Forests in anticipation of the ending of the 10-year moratorium on forest cutting. The first, "On the Adoption of Rules for the Benefits from the Use of Forest Ecosystem Services, Compensation and Payments," defines requirements for forest ecosystem service providers, establishes payment schemes where beneficiaries compensate providers, and sets rules for payments and compensation to support forest maintenance, rehabilitation and regeneration, ensuring alignment with forest management plans. The second, "On Criteria and Rules for Granting Use of the Forest Fund," establishes procedures for use of the national forest fund, outlines rules for changing use categories and specifies required documentation for such modifications. As of January 2025, one by-law had been approved, while the second was under evaluation by the Council of Ministers.

Initial programme efforts focused on understanding the benefits of forest ecosystem services and policy instruments through dialogues, technical analysis and consultations with stakeholders, in anticipation of preparation of the draft by-laws. A situational analysis was conducted in 2022 as part of an assessment of COVID-19 socioeconomic impacts in the forestry sector to better understand relevant forest management structures, the existing legal basis, and relevant planned or ongoing initiatives.

Based upon a training needs assessment, the NDC SP also provided **capacity-building for municipalities** and relevant government institutions responsible for the management and use of forests. In 2023, five trainings were organized in selected municipalities on issues such as sustainable forest management, and policy and legal frameworks required for local forest governance. **Micro capital grants were awarded to five local civil society organizations** to support community-based self-help initiatives in forestry-related jobs as part of green recovery efforts to help halt deforestation and forest degradation.

UNDP's support in drafting the ministerial decisions and training representatives from the forestry department, municipalities and the ministry has been regarded as a success story by government experts, who highlight the programme's responsiveness to the ministry's requests as a key factor in its success. This work is closely linked to enhancing carbon sequestration capacity and is expected to contribute to the implementation of Albania's NDC.

Good practice

The two by-laws supported by the NDC SP exemplify the strategic alignment of regulatory efforts with Albania's climate and nature action priorities. By enhancing sustainable forest management governance and financing frameworks—while anticipating the end of the forest use moratorium—the programme's support for legislative development aimed to strengthen implementation of NDC targets for carbon sequestration and forest protection. This was further reinforced by efforts to enhance knowledge of policy instruments for forest ecosystem services and of management and governance capacities through stakeholder dialogues and targeted capacity-building initiatives, ensuring a more effective implementation of the legislative framework.

Reforming regulatory frameworks to align financial flows with climate objectives in Chile

Following Chile's COP25 presidency in 2019, the country reinforced its commitment to climate leadership with the submission of its <u>updated NDC</u> in 2020. The NDC included a target to reduce carbon dioxide emissions by up to 45 percent by 2030 from 2016 levels and to achieve carbon neutrality by 2050. A further <u>NDC update in 2022</u> expanded ecosystem protection by 2030 and committed to reversing methane emissions growth by 2025. Chile became the first Latin American country to introduce carbon dioxide emission taxes and local pollutant taxes (in 2014) and to issue green bonds (in 2019). The country also announced the decommissioning of coal-fired power plants by 2040 (IMF, 2023).

As a highly institutionalized country, Chile relies on legal frameworks for effective policy implementation, making legislation a cornerstone of its efforts to meet NDC targets. The adoption of the Framework Law on Climate Change (Law 21.455) in 2022 solidified Chile's position as a global leader in climate action by setting a legally binding commitment to carbon neutrality by 2050 and introducing carbon budgets to regulate GHG emissions across key sectors. The law also incentivizes innovative economic tools such as green taxes and sovereign bonds, and requires municipalities to prepare climate change adaptation and mitigation plans linked to financial tracking by 2025, with fines for non-compliance.



Key milestones under the NDC SP

Following the adoption of the 2022 Framework Law on Climate Change, which was developed with support of UNDP, the NDC SP and other development partners, the country undertook further institutional reforms focused on climate finance, motivated by the need for substantial investment for a net-zero, climate-resilient transition. The Coalition of the Ministries of Finance on Climate Action, initiated by Chile and Finland in 2018, supported these developments by making a strong case for the need to fully engage finance ministries in climate decision-making.

As a first step, the NDC SP and Climate Promise supported the Ministries of Finance, Public Works, and Energy in operationalizing the climate law for the finance sector by developing methodologies to estimate public expenditures on climate change at the national and subnational levels—and as a tool for ex-ante analysis of national and subnational pilot projects—using the Climate Public Expenditure and Institutional Review methodology. As the law mandates the Ministry of Finance and the Budget Office to report climate change spending and investment to Congress annually, the NDC SP assisted Chile with climate budget tagging to help institutionalize new methodologies and capacities for estimating spending and tracking data and budget approvals. Both methods have become key tools for reporting climate-related expenditures to Congress, enhancing transparency and accountability.

After assessing the costs of climate measures in the energy sector, the Ministry of Finance took a decisive step to integrate these fiscal frameworks into the country's broader climate finance strategy, which was updated to connect climate, biodiversity, circular economy and socio-ecological transition. This process led to the development, in 2021 under the NDC SP, of a "Climate Change Expenditure on the Public Investment: A Methodological Approach" report, which analysed climate change expenditures from 2016 to 2020, and an associated policy note on its use. The methodology is now used for reporting to Congress annually on climate-related finance. Recognizing the growing complexity of climate finance, the ministry also created a specialized climate change team.

In line with the law's mandate for municipalities to develop communal climate change action plans aligned with Chile's Long-Term Climate Strategy and regional climate change action plans, the programme also supported the Ministry of Environment and the Chilean Association of Municipalities to develop a "Methodological Guide for the Elaboration of Communal Action Plans on Climate Change" in 2023. The guide was officially adopted as the country's standard tool for this process.

Finally, the programme advanced gender integration in climate action in 2020 with the development of a <u>Checklist to Integrate a Gender Approach into Climate Change Management Instruments</u>. This tool helped identify gaps in capacities, information and the integration of gender elements in climate change management instruments, ensuring compliance with the legal mandates of the 2022 law. A Gender and Climate Change Round Table was established to further institutionalize this approach.

The 2022 Framework Law on Climate Change created a robust framework that streamlines climate change management in Chile. Interviewees noted that the law helped clarify governance frameworks and break sectoral silos among key actors, including the Ministries of Environment, Finance, and Energy, by requiring sectors to work on climate action and report progress in an integrated manner, creating synergies between key climate instruments such as the NDC and Long-Term Strategy. Significant effort was invested via the NDC SP in building a common understanding among partners about the implications of climate change for finance and national development in Chile that moved beyond a narrow focus on fundraising for projects and resulted in a strong partnership between the government and UNDP. This approach, emphasizing transparency and with the government setting priorities according to emerging needs, was noted by interviewees as a key factor for success.

Good practice

Chile's Framework Law on Climate Change effectively embedded climate finance into policymaking, engaging the Ministry of Finance in shaping climate policies. The law strengthened financial coordination, led to the development of the country's first Environmentally Sustainable Finance Strategy and fostered a shared understanding of climate-related financial and developmental impacts. The law also enhanced governance by breaking sectoral silos, improving multilevel coordination, streamlining reporting and mainstreaming gender.

Operationalizing the Framework Law on Climate Change in Peru via participatory process

Peru's diverse ecosystems, including its long coastline, mountains and forests, are extremely vulnerable to climate change. Economic losses related to climate change could exceed 15 percent of GDP by 2100 (ECLAC, 2014). Following its initial NDC submission in 2016, Peru updated its NDC in 2020, raising its mitigation goal from 30 percent to 40 percent against the business-as-usual scenario by 2030 and committing to an absolute carbon dioxide equivalent emission reduction of not exceeding 179 metric tonnes of carbon dioxide equivalent by 2030. The 2020 NDC also enhanced adaptation ambitions by adding two new priority sectors—tourism and transportation—alongside water, agriculture, fishing, aquaculture, forest and health.

Since submitting its first NDC, Peru has focused on integrating climate objectives into national legal frameworks to ensure sustainability over time and enable NDC implementation. Peru adopted a **Framework Law on Climate Change** (Law 30754) in 2018. Interviewees noted that the motivations behind the law included public pressure to address climate change and the desire to join the Organisation for Economic Co-operation and Development and improve international standing. The law was passed during a unique political moment, aided by support from the President and inspired by the country's experience of hosting COP20 in December 2014, which mobilized political will on climate change and built consensus among key actors. Good parliamentary coordination and collaboration between the Ministry of Environment and Congress were crucial for the law's swift approval.

The 2018 law established the foundation for institutional climate governance by mandating sectoral ministries to design, implement, monitor and report on adaptation and mitigation measures. It also created the High-Level Commission on Climate Change to oversee strategic management and NDC approvals, while the National Commission on Climate Change serves as a platform for public and non-state actors to support implementation and compliance.

However, the law faced criticism for being developed without prior consultation with Indigenous communities, as required by the Law of the Right to Prior Consultation for Indigenous or Native Peoples (Law 29785). When the Ministry of the Environment introduced draft Regulation 30754 to operationalize and reinforce the Framework Law on Climate Change, it was developed through a comprehensive participatory process¹ prior to its approval in December 2019 (Supreme Decree No. 013-2019-MINAM).



Key milestones under the NDC SP

Over 18 months, the NDC SP, in close collaboration with several development partners, supported the participatory process to shape Regulation 30754 by ensuring broader stakeholder engagement and alignment with Indigenous participation rights through a series of widely publicized, participatory opportunities. Few national regulations in Peru have achieved comparable levels of inclusivity, with interviewees describing the process as a true example of "maximum democracy in action."

A core team from the Ministry of the Environment conducted nationwide consultations to explain the climate change law and proposed regulations. This process also included consultations with technical experts from various sectors, organized by thematic topic and actor type. Stakeholder feedback was systematically collected, documented and analysed by a dedicated ministry team using a transparent revision process that made information publicly accessible, including actions taken and a calendar for all revisions. Legal and technical teams collaborated to revise the draft regulation, which then entered a "prior consultation" phase with Indigenous communities.

This participatory process generated improvements and integrated new ideas into the regulation. An important unexpected outcome was the creation of a national Indigenous Peoples' Platform against Climate Change, which allowed Indigenous institutions to coordinate positions and develop climate change proposals. It enabled Indigenous communities to participate in the National Climate Change Commission, institutionalizing their role in climate governance. Another outcome was the modification of the National Commission on Climate Change to ensure equal voting power for the state and civil society, empowering civil society to influence the policy agenda. The regulation also acknowledged ancestral wisdom as a valid form of knowledge alongside academic research—an idea advocated by civil society. The private sector also provided valuable recommendations on necessary measures, barriers and solutions.

¹ Peru, Ministry of Culture, "Consulta previa: Reglamento de la Ley Marco sobre Cambio Climatico".

The Regulation, adopted in 2019, defined climate change competencies and mandates for key national institutions, including responsibilities for implementing the NDC. It also specified the development of the MRV system, disaggregating it into mitigation, adaptation and finance, encompassing international finance and public-private funding, and introduced cross-cutting approaches to monitoring, including gender, intergenerational and intercultural considerations.

The NDC SP also assisted in the participatory process surrounding the Regulation by embedding consultants in government ministries with terms of reference approved by the government. The entire team managing the participatory process was hired by UNDP but operated within the Ministry of the Environment, reporting directly to the ministry and helping to ensure alignment with government priorities. In addition to support for the participatory process, the NDC SP supported Regulation sections focused on transparency and carbon markets. The programme helped the temporary interministerial working group established under the climate change law to develop a catalogue of specific measures for NDC implementation. Before the NDC SP, Peru received assistance from the UNDP LECB Programme, which engaged the private sector in high-emission industries to establish decarbonization pathways. This long-term engagement has ensured continuity of funding and strengthened government capacity over time.

Good practice

The development of the Regulation under the Framework Law on Climate Change in Peru is a strong example of how participatory climate governance can help improve decision-making and implementation of climate action. A year-long participatory process engaged diverse stakeholders, including Indigenous communities, technical experts and the private sector. This transparent, participatory process led to several positive outcomes, from the creation of an Indigenous Peoples' Platform that ensured Indigenous representation in climate governance to the integration of ancestral wisdom in the regulation and the inclusion of gender and intercultural considerations in monitoring systems.

Reforming environmental law in Viet Nam to enable NDC implementation

Viet Nam was one of the first countries to draw up an action plan to implement the Paris Agreement. The Plan for Implementation of the Paris Agreement, launched in 2016, outlined 68 objectives related to mitigation, adaptation, MRV, and human, technical and financial resources. An <u>updated NDC</u> was submitted in 2022, setting an unconditional emission reduction target of 9 percent and a conditional target of 27 percent by 2030 compared to the business-as-usual scenario. The 2022 NDC also incorporated climate targets for various sectors, including energy, agriculture, land use, land-use change and forestry, and industrial processes.

Prior to these efforts, Viet Nam officially passed its <u>Law on Environmental Protection</u> (No. 55/2014/QH13) in 2014 to provide "statutory provisions on environmental protection activities; measures and resources used for the purpose of environmental protection; rights, powers, duties and obligations of regulatory bodies, agencies, organizations, households and individuals who are tasked with the environmental protection."

Key milestones under the NDC SP

Since the launch of the NDC SP, UNDP has supported the government of Viet Nam in advancing its climate priorities. Initially, this involved support to review and develop the updated NDC, working alongside GIZ, the World Bank, and the NDC Partnership. The NDC SP then further helped with the enhancement and implementation of the NDC, including by providing support to develop legal frameworks and regulations.

Initially, the government considered preparing a dedicated climate change law but opted instead to amend the 2014 Law on Environmental Protection to strengthen its climate change provisions as a more practical and politically feasible alternative, given the extensive reforms needed for a holistic national climate law. Working with partners, the NDC SP supported a review of international best practices on climate change and environmental laws, as well as regulations for carbon markets and loss and damage to support the revision of the law.

On 17 November 2020, Viet Nam's National Assembly passed the revised law, which took effect on 1 January 2022. Chapter VII addresses climate change, outlining climate governance, policy frameworks and implementation guidance, including mandates for key institutions. It defines key components of national adaptation action, assigning responsibilities to the Ministry of Natural Resources and Environment, sectoral ministries, and provincial

People's Committees. The law also mandates a national adaptation report every five years. For mitigation, it establishes emission reduction principles, defines an emissions trading system and requires the development of supporting regulations. Legal experts view the amendments as a significant step towards aligning Viet Nam's laws with international standards and advancing a green, low-carbon economy (Baker & McKenzie, 2021).

Since the adoption of the amended law, over 17 decrees and government circulars have been issued detailing its provisions.² For example, in January 2022, <u>Decree No. 08/2022/ND-CP</u> was adopted, specifying public authorities' obligations regarding climate change, including adaptation, communication and training to enhance awareness and knowledge. Another significant milestone, supported by UNDP, the World Bank and GIZ, was the approval of a regulation that requires over 2,000 large emitters to report their GHG emissions and reduction efforts. This regulation aligns with Viet Nam's potential participation in the carbon market under Article 6 of the Paris Agreement and the development of a domestic emissions trading system.



The reform also strengthened the regulatory basis for adaptation. Provinces must now report annually on climate change activities, including adaptation, and regularly update their reports. The Ministry of Natural Resources and Environment has developed an MRV framework to track progress and improve transparency in climate action for both domestic and international reporting.

Throughout the process, the programme's main counterpart, the Ministry of Natural Resources and Environment, collaborated with other key ministries such as Agriculture and Rural Development and Planning and Investment. This interministerial cooperation was crucial for achieving a successful environmental reform. Interviewees noted that the NDC SP's value was not only in providing funding and technical support, but also in its collaborative approach to sharing knowledge, strategies and experiences from global and national partners, leading to greater impact.

Good practice

The experience in Viet Nam demonstrates the value of sectoral legislative reforms as a politically astute and nimble alternative to more holistic climate legislation that can still help advance climate action in support of NDC implementation. UNDP was able to play a role as a neutral and trusted partner by conducting assessments of relevant national regulations and identifying gaps while reviewing international experience and working in close collaboration with other development partners to enhance outcomes.

² Food and Agriculture Organization, "Vietnam. Law No. 72/2020/QH14 on Environmental Protection", FAOLEX database. (Accessed on 9 February 2025).

Lessons learned

Shifting national policy and governance frameworks can be a major challenge for global climate action and international cooperation. Supporting the development of climate and environmental or sectoral laws is essential for addressing this challenge. Case studies on legal and regulatory support under the NDC SP reveal common benefits and challenges for international cooperation projects. This chapter offers lessons learned and recommendations for the development community and national policymakers involved in reforming climate laws and regulations worldwide.

Lesson 1: Strong legislative frameworks strengthen governance and enable the mainstreaming of climate change across sectors and governance levels.

In all four countries, interviewees emphasized the need for policy continuity and a fundamental shift in government mindset and practices to mainstream climate considerations into legislative reforms. Most legislative and regulatory reforms discussed in this report are too recent to assess their long-term impact on policy stability. However, interviewees in Chile and Peru noted that the development of climate laws and public debates around them have strengthened political consensus on the importance of climate action. According to a UNDP LAC regional climate policy expert, "Regardless of the side of the political spectrum, the governments [in Chile] understand that climate change is a problem that does not have a political face."

Case studies clearly indicate that legislative and regulatory reforms positively impact institutional frameworks for climate policy planning and coordination across governance levels. For instance, the establishment of the High-Level Commission on Climate Change in Peru has enhanced collaboration among ministries and strengthened the links between national NDC targets and climate planning. Before the climate change law, the Ministry of Environment often faced inaction from sectoral ministries citing a lack of mandate; according to the interviews, this changed after the law was enacted. A Chilean climate policy expert has witnessed similar change in their own country, saying, "The enactment of the Framework Climate Law in Chile has institutionalized climate change within the State."

Climate change is not always a top priority for many countries. According to interviewees, without a climate change law, conflicting priorities complicate international collaboration. Climate law fosters new partnerships and enables development cooperation partners to engage with ministries beyond those directly responsible for climate. As a public sector interviewee in Peru stated, "One of the substantial legal achievements was that the law has placed climate change on the public agenda, expanding its relevance beyond the environmental sector."

These conclusions align with recent studies that have assessed the impacts of climate laws in Ireland, Germany, the United Kingdom and New Zealand, based on over 100 interviews with policy actors (Averchenkova et al. 2024; Averchenkova et al. 2021). The studies found that these laws help address governance challenges and build effective institutional frameworks, while the debate around their adoption has consolidated political consensus in some countries. Initial impacts include enabling a just transition in Ireland and shifting financial flows for climate action.



Lesson 2: Support for regulatory reforms requires a deep understanding of national context and political feasibility, strong government partnerships and engagement of national experts.

The four case studies in this report illustrate differences in political motivation and opportunities for legislative and regulatory reforms. Chile and Peru have pushed through dedicated climate change legislation, leveraging political momentum from hosting COP Presidencies and supportive governments. However, their laws differ in scope and ambition. In Viet Nam, legislative reforms aimed at establishing a governance framework for climate action took a sectoral approach by amending existing environmental law and specifying it through multiple regulations due to political feasibility. In Albania, compliance with European Union legislation and the impending end of the forest use moratorium provided political momentum for timely action.

In determining the strategic approach to strengthening legal frameworks on climate change, it is crucial to understand the national context and the feasibility of potential options. Strong partnerships with key government agencies and relevant actors to understand political priorities, constraints and opportunities have been critical success factors in all four countries. Interviewees emphasized their countries' preference for strengthening internal capabilities and building robust national teams, requiring assistance rather than relying solely on temporary external expertise. International cooperation has been vital in building internal capacities, often creating a pool of experts and policies necessary for accelerating transition. Some experts transition into government roles after gaining experience through international cooperation projects, which is essential for the future.

In Viet Nam, work was mainly organized with national experts, and close collaboration with several key ministries helped ensure credibility and acceptance of the outcomes. The model used in Peru, which funded experts accountable to the ministry in charge of regulatory reform, ensured government buy-in and full ownership of the work. While they relied on national expertise, interviewees noted that access to an international consulting group of advisers was beneficial. One former government official in Peru noted that, "Integrating technical support and consultants within ministries ensures they are accessible to, guided by, and accountable to the ministries, fostering national ownership of deliverables and buy-in."

According to interviews, another important factor for the success of legislative support programmes highlighted in the interviews was having clarity on priorities, the scope of the programme, the envisioned reforms and the roles of key partners before the regulations were drafted. Several UNDP country teams emphasized the importance of an initial investment in building this shared understanding for later project stages.

Lesson 3: Shortening funding cycles are not compatible with the long-term commitment and continuity of funding necessary for legislative reforms.

Short-termism in national politics, driven by four-to-five-year election cycles, challenges climate transitions, which require a long-term perspective. International cooperation and finance are essential for incorporating long-term views into national policy. All interviewees agreed that having international cooperation reflected in laws and regulations is invaluable for implementing and increasing the ambition of NDCs and should be central to the support programmes of international agencies like UNDP. As one UNDP global expert stated that, "Support to legal work is at the heart of what a UN agency can and should provide in countries, but that requires long funding cycles from donors, because this type of legal work takes a lot of time."

Long-term partnerships with UNDP and the continuity of funding over several years prior to regulatory reforms were identified as key success factors in all four countries. This was often achieved by combining funding over time from various UNDP programmes, such as the LECB Programme, the NDC SP and Climate Promise, which enabled advancement through building on earlier projects and developing lasting institutional capacities.

However, recent global trends show that donor funding has become increasingly short-term—typically one to two years. This shift favours short-term deliverables such as studies and workshops, while the development and adoption of legislation cannot be achieved so quickly and with such defined outputs. Interviewees noted that it is becoming more challenging for implementing agencies to establish long-term plans tailored to each country's needs.

This mismatch between short funding cycles for individual projects and the longer-term interventions needed for regulatory reform poses a systemic challenge for international cooperation on climate change. It risks

undermining some countries' ability to adopt a long-term view on national climate policy. To address this, regulatory work will require host governments to have clear plans and improve coordination with international partners and require their own agencies to integrate the support provided by individual agencies into meaningful long-term programmes.

Lesson 4: Investment in shared understanding and capacity-building among key actors is necessary for successful regulatory reforms.

Development of effective legal frameworks on climate change requires a clear vision of the objectives at national, regional and local levels, along with significant intersectoral collaboration. Regulatory reforms should begin with ensuring that decision makers understand the opportunities that the transition presents. Capacity-building and training for national, regional and local authorities, and climate leadership training for senior officials were crucial components of international support programmes for regulatory reforms in the four countries discussed in this report. Another key intervention involved improving understanding of climate governance and international policy tools, as well as their adaptation to national contexts.

Albania's experience showed that the wood energy sector is often overlooked in national planning due to its complex cross-sectoral nature, impacting energy, forestry, agriculture and rural development. A persistent lack of understanding of the forests' importance in addressing climate change leads to the failure to incorporate mitigation measures into forest management practices. Capacity-building activities conducted for national and municipal authorities as part of the NDC SP were essential for developing forest by-laws.

Similarly, the development of methodological tools and regulatory frameworks for financing climate transition in Chile began with investments in capacity-building and a shared understanding among key project partners, including the Ministry of Finance, regarding the implications of the transitions for national finance and development. This shared understanding was instrumental to advancing work on specific regulatory instruments.

Lesson 5: Meaningful public participation and stakeholder consultation are essential for improving the quality and sustainability of laws and regulations and their implementation.

Addressing climate change requires deep social and economic transformations that significantly impact citizens' lives and behaviours. One interviewee, a climate policy expert in Peru, noted that "Before initiating any regulatory process on climate change, it is essential to recognize how climate change impacts populations and that the issue is not well understood by citizens in technical terms. Significant effort must be dedicated to communication in non-technical language, public education and awareness." To improve the quality and acceptability of climate laws and policies and minimize social backlash, it is necessary to engage the public and key stakeholders in decision-making.

Stakeholder consultation processes are essential in designing climate laws and regulations, as noted in all four case studies. Interviewees indicated that stakeholders who are involved in developing regulations are more likely to advocate for their implementation, enhancing political accountability over time. The climate policy expert in Peru noted that, "The more political space is opened to public participation, the stronger the demand for accountability becomes." In Albania, consultations with relevant ministries, the National Forest Agency and municipalities fostered collaboration in the forest sector, clarifying tasks and promoting idea-sharing, which was vital for developing forest by-laws.

Broad public participation processes that include citizens in the development of climate laws and regulations are not widely implemented. The extensive participatory process around regulation under the climate change law in Peru exemplifies best practices. Improvements made to the regulation and overall climate governance framework underscore the value of public participation.

Supporting public participation on climate change, especially in countries with weak democracies, contributes to broader democratic strengthening. While invaluable, participatory processes are costly, making them a priority area for international cooperation on climate change.

Lesson 6: Regulatory instruments must come with clarity regarding financing mechanisms.

Legislative frameworks need accompanying financing mechanisms; otherwise, new obligations may be empty and difficult to implement. This is particularly true for municipal governments, which often face capacity and financial constraints.

In Albania, the decentralization of forest management created new responsibilities for municipalities to prepare and implement forest management plans, increasing demand for innovative financing solutions such as payments for environmental services. However, these instruments are not well known at the subnational level and require support and capacity-building. Similarly, in Chile, the new obligation for local governments to prepare climate action plans under the climate change law increased the need for capacity-building and targeted financing mechanisms at the subnational level. Chile's experience with developing methodological and regulatory frameworks for financing the climate change law and broader climate transition in partnership with UNDP provides a best practice example.

Lesson 7: Regulatory reforms require supporting institutions that oversee decision-making and actors likely to withstand political change.

The framework climate change legislation and regulation envisions large-scale transformation in governance and financial systems, which requires engagement with decision makers beyond the environmental ministries traditionally responsible for the climate change agenda. Several interviewees noted that development cooperation partnerships should involve the entire governance ecosystem, especially institutions with decision-making power, such as ministries of finance, ministries of planning, and sectoral ministries. The objective of that support should be for these institutions to take ownership of discussions on climate legislation and regulation rather than simply being present.

To cultivate champions for climate action who can withstand political change and help counter political backsliding, it is important to develop relationships with non-state actors and interest groups that are less vulnerable to political shifts. The NDC SP in Peru demonstrated the value of forming alliances with private-sector associations that can retain leadership and exert pressure to sustain policies, helping to mitigate political backsliding.

There is also growing demand for support at the subnational level, which is challenging to implement through international cooperation. Municipal and regional governments often lack direct access to international assistance, making support possible only if national governments prioritize this area.



Conclusions

The experiences under the NDC SP highlight the essential role of climate change legislation for pursuing climate action. Effective legislative frameworks and related instruments have been pivotal in integrating climate objectives into national and sectoral policies, enhancing institutional coordination, ensuring accountability and providing a legal basis for the implementation and enforcement of NDC targets and climate commitments.

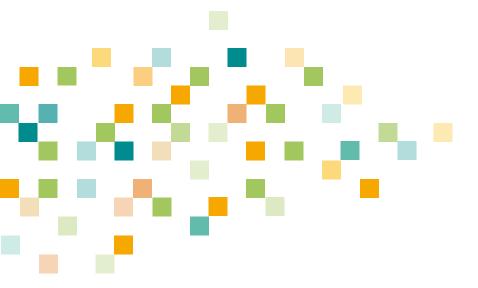
This publication highlights the importance of international cooperation in developing strong legislative and regulatory frameworks to improve national climate governance. This cooperation enables the integration of climate objectives across various sectors and levels of governance while fostering a long-term approach to climate policymaking.

Support for legislative and regulatory development through the NDC SP in Albania, Chile, Peru and Viet Nam has been crucial for operationalizing integrated national climate governance and policy frameworks, as well as strengthening the capacity of key governmental actors to advance NDC implementation. By backing legislative and regulatory reforms on climate change, international cooperation partners also contribute to the overall strengthening of democracies.

Each piece of climate change legislation reflects the unique institutional and governance structures of the country that adopts it. Legislation can range from framework or environmental laws to specific decrees and acts that build on existing policies and governance structures. While some governments opt for comprehensive climate framework laws, others may prioritize more targeted regulations based on specific national priorities to achieve their climate objectives.

While laws and regulations may vary across nations, they share common features in their mandate and design that influence the quality and effectiveness of their outcomes. Regardless of their form, their core purpose is to establish a legal foundation for implementing and advancing climate action. Beyond their core purpose, climate legislation defines institutional mandates for overseeing climate policy, ensures transparency, supports long-term climate planning by setting net-zero targets and carbon budgets and ensures flows of climate finance. Additionally, laws can emphasize public participation, fostering inclusive decision-making, accountability and stakeholder engagement in climate action.

However, the constrained funding landscape and shortened project cycles for climate change development cooperation present challenges for supporting legislative and regulatory reforms that require long-term interventions. Countries seeking assistance in this area will need to adopt a more strategic approach to international climate finance and enhance national coordination and planning. Additionally, closer coordination among donors and implementing agencies will be essential to align different programmes to build the long-term support necessary for strengthening governance and regulatory frameworks.



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