



Vulnerability a key driver of emerging-world climate policy commitments, states new WTW analysis

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Africa and Asia lead the emerging world on 'commitment on climate'

LONDON, June 28, 2022 (GLOBE NEWSWIRE) -- Commitment on climate policy in the emerging world is strongest in countries most vulnerable to the impacts of global warming and in those with effective governments, but weakest in those reliant on fossil-fuel income, according to new analysis by Oxford Analytica and WTW (NASDAQ: WTW), a leading global advisory, broking, and solutions company.

Of 62 nations and territories assessed in the WTW Political Risk Index, the governments of Bangladesh, Malaysia, the Philippines, Chile, and Senegal are most strongly committed to prioritising climate when making public policy. Each of these countries ranked four on WTW's one-to-five scale, where countries that rank only one (Libya, Turkmenistan, and Myanmar) assign little to no weight to climate objectives, and those that rank five (none of the 62) prioritise climate above other key policy objectives. The remaining countries were seen, at best, to give equal weight to combatting climate change and other key public policy goals.

"Climate has always been a driver of political risk," said Stuart Ashworth, managing director and head of political risk for corporates at WTW, "and in extreme cases food and water are being weaponized for political reasons. Understanding a country's vulnerability to climate shocks will be increasingly important for investors. In Mali, Niger, and Burkina Faso, for instance, erratic weather patterns and rising global food prices are contributing to food insecurity in regions already prone to violence."

New statistical research by WTW identified three factors that correlate significantly with the subjective ratings assigned:

- Vulnerability. Governments in emerging-world countries with greater vulnerability to the impacts of climate change appear to show greater commitment to policies such as emissions reduction
- State capacity. Countries with a more effective civil service also appear to show greater commitment to climate policy
- Oil and gas income. Countries that earn more from fossil fuels appear to show lesser commitment to climate policy

Looking across world regions, governments in Africa and Asia lead the emerging world on climate commitment. Many Asian countries have a comparative strength in government effectiveness. On a regional average basis, Asian countries tend to have strong policymaking practices and effective bureaucracies capable of carrying out political goals. Exemplars are Malaysia and China, which rated highly on the strength of their well-developed climate transformation plans.

Expert ratings for many countries in Africa came in above statistical predictions, including Cameroon, Central African Republic, the DRC, Ethiopia, Morocco, Mozambique, Uganda, and top-rated Senegal. Sam Wilkin, Director of Political Risk Analytics, WTW, said, "The novel 'green development' approaches being pursued by many African countries could serve as a model for the rest of the world."

Download the complete analysis in the [WTW Political Risk Index](#).

About WTW

At WTW (NASDAQ: WTW), we provide data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving 140 countries and markets, we help organizations sharpen their strategy, enhance organizational resilience, motivate their workforce and maximize performance.

Working shoulder to shoulder with our clients, we uncover opportunities for sustainable success—and provide perspective that moves you.

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Media contact

Hannah Stewart
wtw@haggie.co.uk