



Perspectives on Climate Change: Attitudes, Challenges, and Policy Recommendations

*Evidence from Five Countries in Europe and Central
Asia*

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Executive Summary

Climate change is among the most significant social, economic, and environmental threats. Achieving even modest climate targets will depend on local-to-global coordination on costly and far-reaching policies. This research program will focus on the national climate change policymaking context in five countries – Albania, Armenia, Georgia, Kyrgyz Republic, Tajikistan – to identify both challenges and opportunities to achieving sufficient consensus for action and reform.

This study aims to identify the depth of stakeholders' support in pursuing aggressive policy to address climate change and differences in the salience of the issue between different stakeholder groups. Nearly all recent surveys have focused on perceptions of the public, while there are a range of other actors relevant to the formulation of policy aimed at addressing climate change. Stakeholders such as government and industry also play decisive roles. However, these actors may have different levels of interest or prioritization which in turn affects the probability of successfully implementing climate change related policy. The report focuses on deep dive surveys collected from two stakeholders, businesses and the general public.

The report summarizes the depth and prioritization of climate change in public policy and contrasts the survey responses between the stakeholders, demonstrating the degree of consensus or disagreement around policy to address climate change.

In particular, the analysis finds that,

- Overall, a large portion of people in the region believe that climate change is real, and it is man-made, although perceptions vary widely by country. While the consensus on climate change is higher than the regional average in Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan, around half of the public in North Macedonia, Lithuania and Czechia do not believe in the existence of climate change.
- A majority of respondents report that climate change will affect them, with an even greater number believing it will impact their children. At individual level, the respondents who were exposed to extreme climate events were more likely to anticipate climate impacts. Likewise, the analysis at country level revealed that perceived impacts of climate shocks were positively associated with the share of agricultural output. This means that increasing public support for mitigation policies in some countries could require prioritization of different policies. For example, the residents of urban areas could be interested in improvement in air quality the green transition is expected to bring.
- While people are willing to contribute financially for climate change policies, this area ranks lower compared to other policy areas. Surprisingly, very few respondents (3%) see it as an immediate priority for additional government spending.
- In all countries, the commitment to net zero carbon emissions is supported; individuals generally approve this goal more than business leaders. However, roughly half of respondents think their countries lag behind in meeting short-term carbon emission targets.
- While public ascribes a leading role in combatting climate change to governments, there is consensus on adaptation climate policies; however, opinions vary for mitigation policies. Most mitigation policies, such as reducing the carbon emissions in all sectors, further developing climate-friendly public transport, and reducing the use of coal and oil are the mitigation, enjoy high levels of public support. However, some areas, including reducing the use of natural gas or

teleworking to reduce commuting, are less popular. In Albania, particularly business leaders are opposed to introducing these two policies. Respondents endorsed all types of adaptation policies, with the level of support ranging from 88 to 95 percent.

- Several challenges hinder greater support for climate policies.
 - A common lack of awareness about climate policies exists.
 - Rich countries, businesses, and high-income individuals are often seen as responsible for contributing more to climate change investments, which may create disincentives for domestic climate action. Moreover, climate change is a global problem requiring global coordination, which is inherently difficult and involves players who want to free-ride and those who worry about others free-riding. While respondents believe that the international community is doing enough to tackle climate change, other actors, including the respondents themselves, lag behind.
 - Respondents believe that the funds collected for climate change may not be used for their intended purposes. A large share of respondents considered that funds collected from a hypothetical increase in electricity tariffs to address climate change would likely be spent on other purposes by local electricity suppliers and governments.

The report concludes with policy recommendations. To increase support for climate action and the green transition, there must be more consistent efforts to:

- i) Increase awareness of climate change and its implications. Lack of information about the implications of climate change could place individuals and businesses at a disadvantage, as they might not recognize the necessity of adopting climate policies.
- ii) Communicate the goals and benefits of climate change policies to the public. The report finds that public support for costly climate policies increases if people understand who and how are expected to benefit from them.
- iii) Promote behavioral change and create incentives to increase the contribution of the public and businesses to climate policies. Learning about this could demonstrate how changes in some basic and small activities at individual level could bring about positive effects with respect to green and sustainable development.
- iv) Address distributional concerns expressed by public: a share of respondents thinks the green transition may stifle economics growth and adversely affect employment.
- v) Clearly explain how climate change funds are invested. People tend to support activities that are visible or well understood by them, which may not be the case when it comes to investments to counter climate change.

1. Introduction

Climate change has significant implications for development because it has the potential to reverse decades of progress in reducing poverty and inequality. The ongoing impacts of climate change is already affecting economies and livelihoods while its adverse effects are expected to be escalated over time. By increasing the likelihood of extreme weather events such as floods, sea-level rise, droughts and storms, climate change is anticipated to have significant economic consequences, disrupting industries and jobs, infrastructure, assets, and livelihoods. For instance, heightened risks of drought can reduce agricultural outputs, contributing to food insecurity, loss of economic activity and malnutrition. Floods, higher sea levels and storms can displace people, generate millions of climate refugees and damage assets.

As a global threat, climate change is going to affect all countries, irrespective of their proactive policies and actions. Addressing this challenge requires collaborative action by all countries such as the Paris Agreement which aims to limit global temperature increases and encourages to shift to a low-carbon and sustainable economic activity. As a result of ratifying the agreement, countries commit to Nationally Determined Contributions (NDC) that are set of policies and actions to address climate change. Each country submits their own NDCs under the Paris Agreement and provides a clear pathway to mitigate greenhouse gas emissions and introduce adaptation strategies to climate change.

This report explores the perceptions about climate change, support for current and future policies and potential impediments in implementation of climate policy actions. By relying on two unique datasets in the Europe and Central Asia region, the report provides important insights about policy actions to address climate change for policymakers. While the results are presented for Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan, the report will have very important insights for policymakers in all countries.

Throughout the report, results are presented both for public and business leaders. Public support for the NDCs is key in implementation of these policy actions and achieving a transition to a net-zero economy. Surveys from across the ECA region find most people believe climate change is a real and serious problem. Moreover, a significant share of people also say they favor policy actions to address climate change. Nearly all recent surveys have focused on perceptions of the public, however, there are a range of other actors relevant to the formulation of policy aimed at addressing climate change. Stakeholders such as government and industry also play decisive roles. But these actors may have different levels of interest or prioritization, which in turn affects the probability of successfully implementing climate change related policy.

To better understand the motivation to support climate policies, the third section examines the respondents' perceptions over climate change, concerns regarding its impacts and willingness to contribute to financing policies to tackle climate change. Then the reports investigate factors and the characteristics of individuals correlated with elicited perceptions and concerns. More importantly, public preferences to finance climate policies and prioritization of areas for extra government spending are presented. Ranking the importance of climate change agenda relative to other areas could provide better guidance for policymakers. The results suggests that while the majority of public believes that climate change is real and it is going to seriously affect them during their lifetime, climate change is not a priority to spend additional public resources on at all. The rest of the report identifies potential determinants of this conundrum.

Public knowledge on climate policies to reduce carbon emissions and to reach net-zero emissions in the future can be an important detriment to prioritization of climate change policies. The fourth section

presents results whether respondents are aware of the climate policies and targets of their country. As the majority of nations, Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan committed to NDCs which specify the responsibility not to exceed greenhouse emissions of 50 to 70 percent of the 1990 levels by 2030. A smaller but increasing number of countries adopted long-term ambitious targets of achieving carbon neutrality on average by 2050.

While public support for green transition in the region appears to be high, securing financing for implementing climate policies is a crucial element for government to meet the NDC targets. The fifth section examines the political economy of the climate actions. Climate is a global problem and solutions require global coordination, which is inherently difficult and involves players who prefer to free-ride and those who worry about others free-riding. People may be suspicious that policies aimed at addressing climate change will be undermined by limited capacity or misallocation of resources. Moreover, public can be worried about lack of action and concerned about actors putting corresponding efforts to address climate change. Thus, the report also investigates how respondents perceive the capacity of governments to channel the funds earmarked for addressing climate change and the role of information sharing in raising domestic resources to fund climate action.

The sixth section assessing support for adaptation and mitigation policies. Implementing climate change policies may appear challenging, as governments are not only constrained by fiscal space and technical expertise, but also have to take into account people's preferences with respect to different types of policies. This section examines what kind of adaptation and mitigation policies are supported.

The last section summarizes the conclusions and states the potential policy recommendations. Notwithstanding relatively high public support for climate action, several challenges limit greater support for certain areas. Overcoming them requires more consistent efforts to: a) communicate the goals and benefits of the climate change policies to public, b) address distributions concerns about potential adverse impacts on employment, c) work on increasing transparency and accountability of spending climate change funds. Drawing on international evidence, the report emphasizes that pursuing climate policies can be designed in a way that it creates more jobs replacing dwindling ones in carbon-intensive industries and improves public service delivery in healthcare and education.

2. Data

The report employs two sets of unique datasets: The Life in Transition Survey (LiTS) and Deep Dive Surveys (DDS). The Life in Transition Surveys (LiTS) are multi-topic nationally representative household surveys conducted by the European Bank for Reconstruction and Development (EBRD) and the World Bank. The LiTS data enables the respective institutions to periodically undertake comprehensive assessments of the relationships among life satisfaction and living standards, poverty and inequality, trust in state institutions, satisfaction with public services, attitudes to a market economy and democracy and to provide valuable insights into how transition has affected the lives of people in the ECA region. Three rounds of the LiTS have been conducted: in 2006, 2010 and 2016, covering a total of 29,000, 34,000, and 39,000 households total across 29-34 Europe and Central Asia (ECA) and comparator countries.

The fourth round of the LiTS was conducted in 2022 - 2023 covering 37 countries – 35 EBRD and WBG client countries: Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Estonia, Georgia, Greece, Hungary, Jordan, Kazakhstan, Kosovo, Kyrgyz Republic, Latvia, Lebanon,

Lithuania, Moldova, Mongolia, Montenegro, Morocco, North Macedonia, Poland, Romania, Russia, Serbia, Slovak Republic, Slovenia, Tajikistan, Tunisia, Turkey, Uzbekistan, West Bank and Gaza, Algeria and two comparators: Czech Republic and Germany. In LiTS IV, the survey covered approximately 37,000 households, with around 1,000 households per country.

The DDS for individuals were included within the LITS as an additional module. As in the LITS, face-to-face interviews were conducted with around 1,000 respondents. This allows researchers to benefit from rich information collected in the LiTS. DDS includes information about several aspects of climate change: i) knowledge of climate policies and climate related information ii) support for specific mitigation and adaptation policies iii) Experimental questions to identify respondents' preferences for willing to pay for climate change policies.

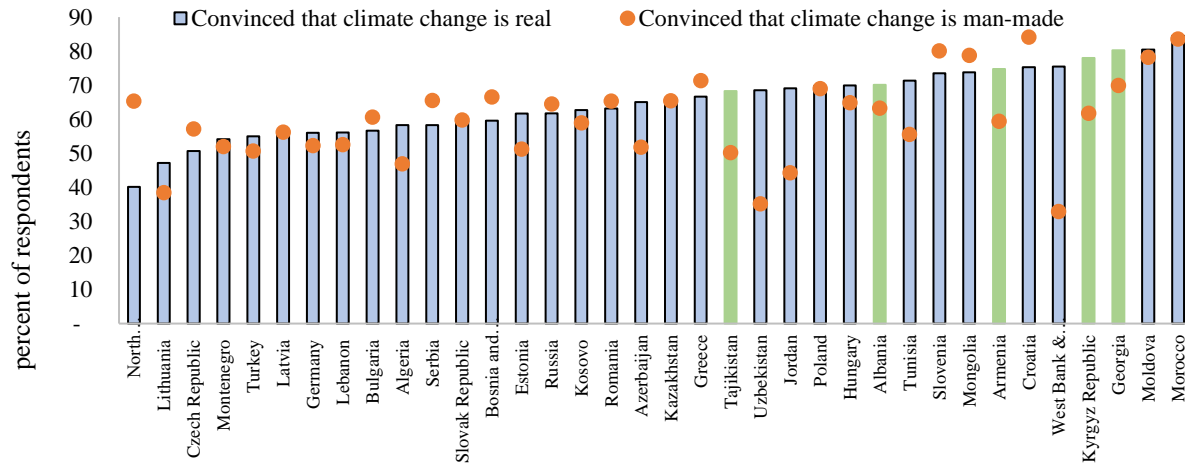
DDS for business leaders were conducted by using phone surveys, with 1,000 business leaders. The questionnaire for business leaders has exactly the same questions as DDS for public. The team used sample frame from the World Bank's Business Pulse Surveys or Enterprise follow-up surveys in all five countries.

3. Perceptions and concerns over climate change

Public perception on climate change and willingness to contribute financially to address its adverse effects is key to achieve policy targets. This section uses the data from the LITS survey that is collected in 37 countries in Europe and Central Asia and Middle East and North Africa. To better understand the motivation to support climate policies, this section first examines the respondents' perceptions over climate change and concerns regarding its impacts. Then it documents factors and the characteristics of individuals correlated with elicited perceptions and concerns. In addition, this section looks at the perceptions of people regarding the nexus between protecting of environment and economic growth. Lastly, the analysis of public preferences to finance climate policies and prioritization of areas for extra government spending is presented.

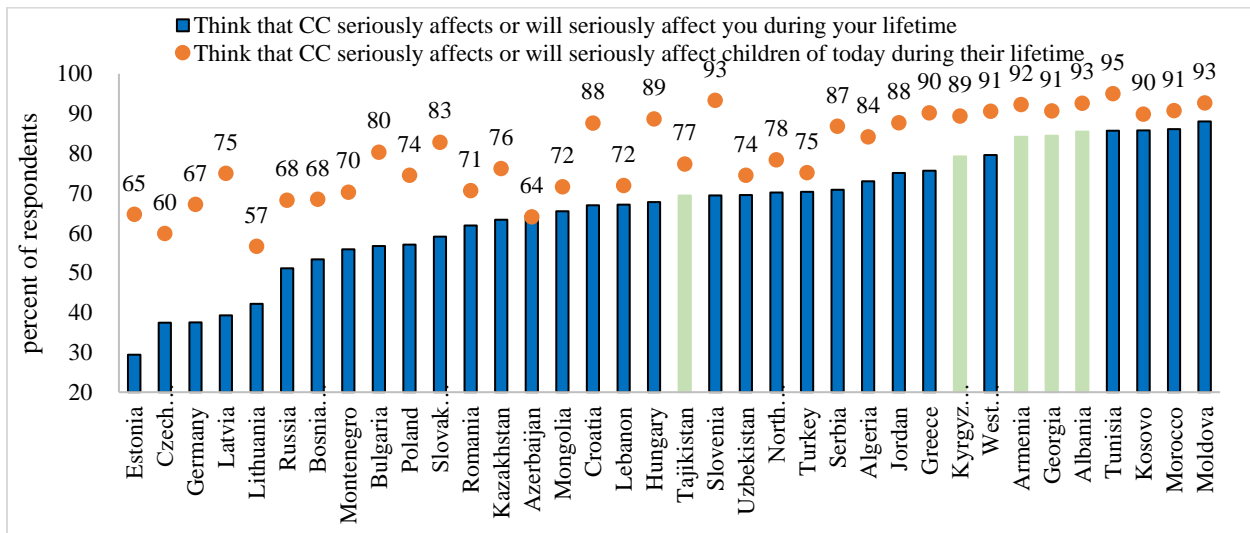
Overall, a large portion of people in the region believe that climate change is real, and it is man-made. While the share of individuals who believe in it is on average 63 percent in the region, the results vary significantly across the countries (Figure 1). The proportion of respondents acknowledging that the existence of climate change is higher than the regional average in Albania, Armenia, Georgia, Kyrgyz Republic, and Tajikistan, ranging from 68 to 80 percent. Furthermore, the highest level is observed in Morocco, where 85 percent of respondents are convinced of the reality of climate change. However, still a significant share of population is sceptic about the reality of climate change, with one third of the population in the region stating that the climate change is not real. The lowest rate of agreement on climate change is observed in North Macedonia (40 percent) and Lithuania (47 percent).

FIGURE 1 A LARGE SHARE OF PUBLIC WAS NOT CONVINCED THAT THE CLIMATE CHANGE WAS REAL, AND THE RESULTS VARIED SUBSTANTIALLY ACROSS COUNTRIES.



Source: Authors' calculations using data from the Life in Transition IV survey.
 Note: the above figure is produced based on the following questions "How convinced are you personally that climate change is real?" and "How convinced are you personally that climate change is man-made?" Policy views are elicited on a 5-point scale "Entirely unconvinced," "Quite unconvinced," "Neither convinced nor unconvinced," "Quite convinced," and "Entirely convinced." The figure shows the share of respondents to answer "Quite convinced" or "Entirely convinced."

FIGURE 2 THE MAJORITY OF RESPONDENTS REPORTED THAT THEY BELIEVED THEY WERE GOING TO BE AFFECTED BY CLIMATE CHANGE, WHILE A HIGHER SHARE THOUGHT THAT THEIR CHILDREN WOULD BE IMPACTED BY CLIMATE CHANGE.



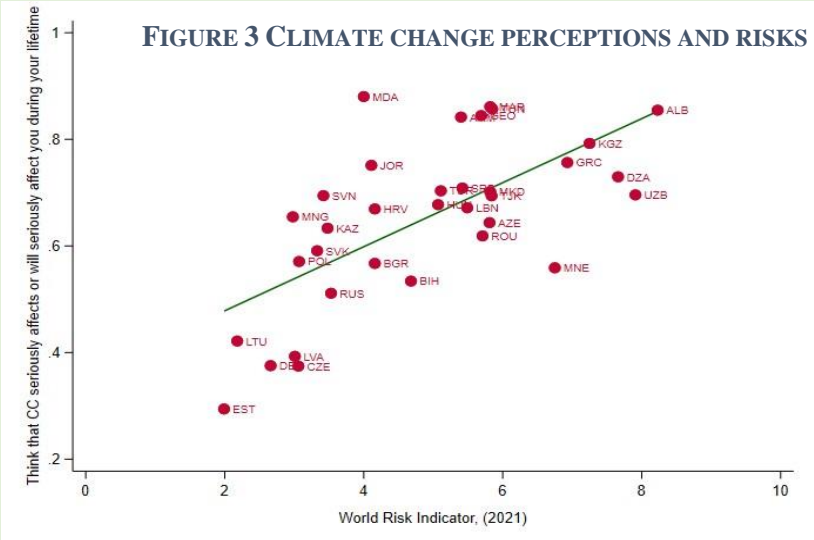
Source: Authors' calculations using data from the Life in Transition IV survey.
 Note: the above figure is produced based on the following questions "Do you think climate change seriously affects or will seriously affect you during your lifetime?" and "Do you think climate change seriously affects or will seriously affect the children of today during their lifetime?" Policy views are elicited on a "Yes" and "No" scale." The figure shows the share of respondents to answer "Yes".

The majority of the respondents (60 percent) believe that the climate change seriously affects, or will affect, them during their lifetime (Figure 2). However, the variation across countries is quite substantial: the share of people reporting about the climate change impacts reaches as high as 88 percent in Moldova and is as low as 29 percent in Estonia. It is noteworthy that Albania (85%), Georgia (84%),

Armenia (84%) and Kyrgyz Republic (79%) are among the countries with the largest shares of population reporting the effects of climate change on their lives. The data also reveals that a higher share of respondents in every country said that their children would be impacted by climate change, resulting in three quarters of respondents at regional level expecting impacts on their children. This suggests that there is an expectation about the impacts of climate shocks becoming more severe and pronounced in future. Those who agreed that climate change would impact their children but not themselves, are predominantly elderly and were not affected recently by natural disasters.

Box 1 – Effects of climate change are positively correlated with risks index

In general, individual concerns about climate change impacts are consistent with their country’s vulnerability to climate shocks. Figure 3 shows that the proportion of people thinking that the climate change impacts their lives increases with the World Risk Index.¹ This implies that lower exposure to natural disasters and better adaptation capacities are likely to explain between-country variation in perceptions regarding the effects of climate shocks.



Source: Authors’ calculations using data from the Life in Transition IV survey and World Risk Index (2021).

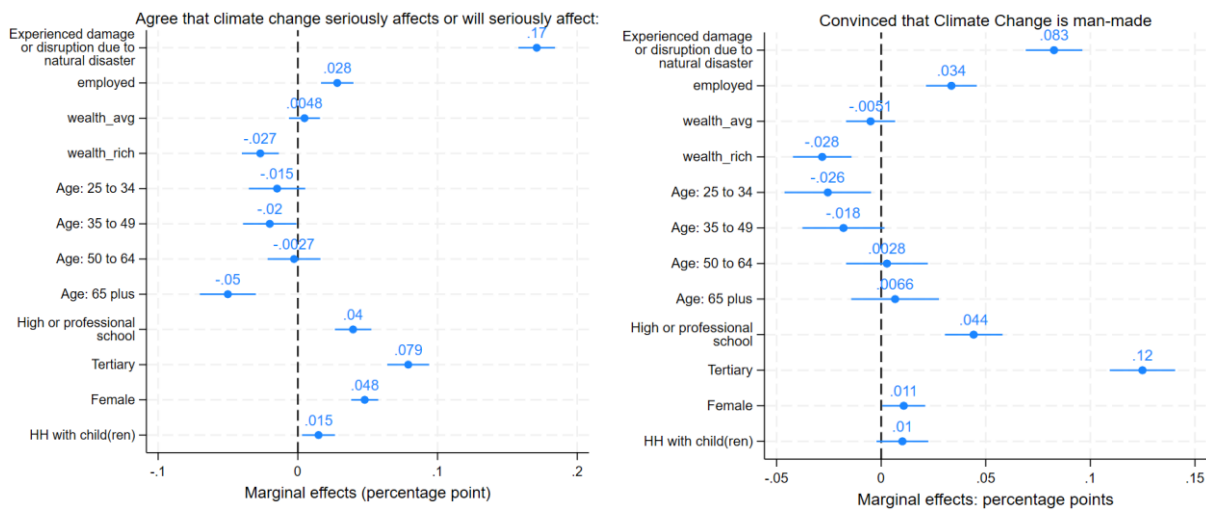
Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan are above the ECA average in terms of the impacts of natural hazards, as measured by the World Risk Index. For these countries, the World Risk Index is driven strongly by the exposure component and exacerbated by a relatively high vulnerability index. Climate change is anticipated to increase the impact of natural disasters, such as floods, mudflows and droughts, elevating the risks to livelihoods. Yet, negative effects from the climate change shocks can be reduced by investing in adaptive and institutional capacity targeting to improve household resilience to cope with the shocks. Perceptions over impacts of climate change are also associated with individual characteristics.

Perceptions of climate impacts vary by exposure to natural calamities and individual characteristics. A micro level analysis, based on all LITS data, reveals that the most important determinants of the respondents’ perception of climate change impacts is their recent exposure to natural

¹ The indicator measures the risk of physical hazards (captured by the exposure index) and a country’s vulnerability to the hazards. The former is derived based on indicators capturing the exposure of people towards earthquakes, floods, droughts, cyclones, tsunami and sea level rise. The vulnerability dimension includes measures of susceptibility, coping and adaptive capacities. Overall, the 2021 Word Risk Index relies on 100 indicators collecting in 182 countries.

disasters, followed by the level of education and gender. According to a statistical model, an individual is i) 17 percentage points more likely to think that the climate change seriously affects or will affect him during his lifetime if he recently experienced a natural disaster shock, ii) 5 percentage points is more likely if a respondent is a female and iii) 8 percentage points more likely if he has completed tertiary education. In addition, people of 65 age and older are 5 percentage points are less likely to think that climate shock would have an impact on their life (Figure 4).² However, these factors may differ if the analysis is conducted at a country level. For example, the probability related to tertiary education increases to 21 percentage points in Georgia. Overall, at regional level, similar characteristics are at play when the analysis is performed to predict if a respondent believes climate change in man-made. However, the magnitude of the correlated characteristics switches and having a college degree becomes the most important predictor of why a person shares the knowledge of climate change induced by humans.

FIGURE 4 SOCIOECONOMIC CHARACTERISTICS ASSOCIATED WITH PERCEPTIONS OVER CLIMATE CHANGE.



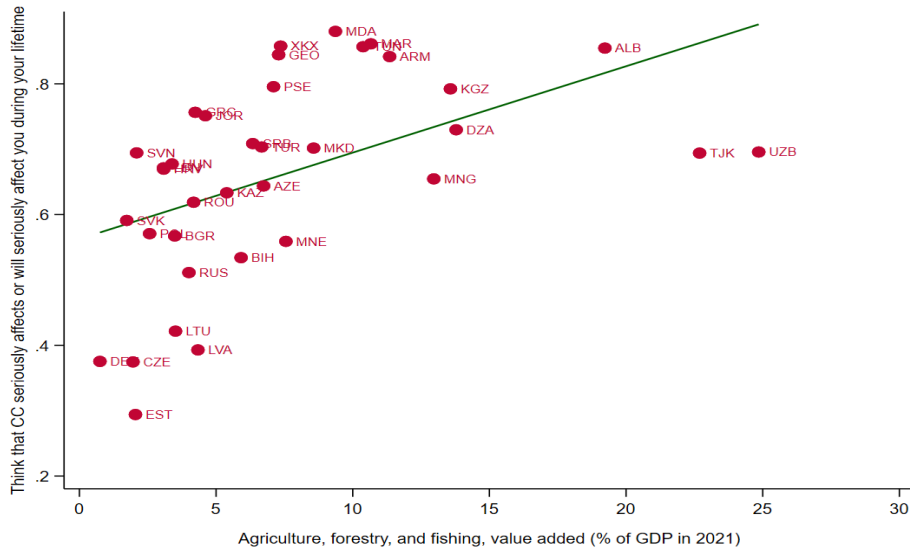
Source: Authors' calculations using data from the Life in Transition IV survey.
 Note: Coefficients are produced by a probit model, which also includes country fixed effects.

While the differences in exposure and vulnerability to adverse climate shocks at country level explain to a large extent variation in people's responses, more concerns with the effects of the climate change are registered in countries with high shares of population engaged in agricultural activities. This is because increasingly more unpredictable and extreme weather conditions impact agricultural production, affecting people's livelihood depending on it. Indeed, while the value added of agriculture of the three countries with the lowest level of perceived impact of climate change – Estonia, Czech Republic and Germany - range from 0.8 to 2.1 percent, this indicator is as high as 22.7 percent for Tajikistan, 19.2 percent for Albania, 13.6 percent for Kyrgyz Republic, 11.3 percent for Armenia and 7.3 percent for Georgia (Figure 5).³

² When compared with a reference group of individuals of younger than 25 years old.

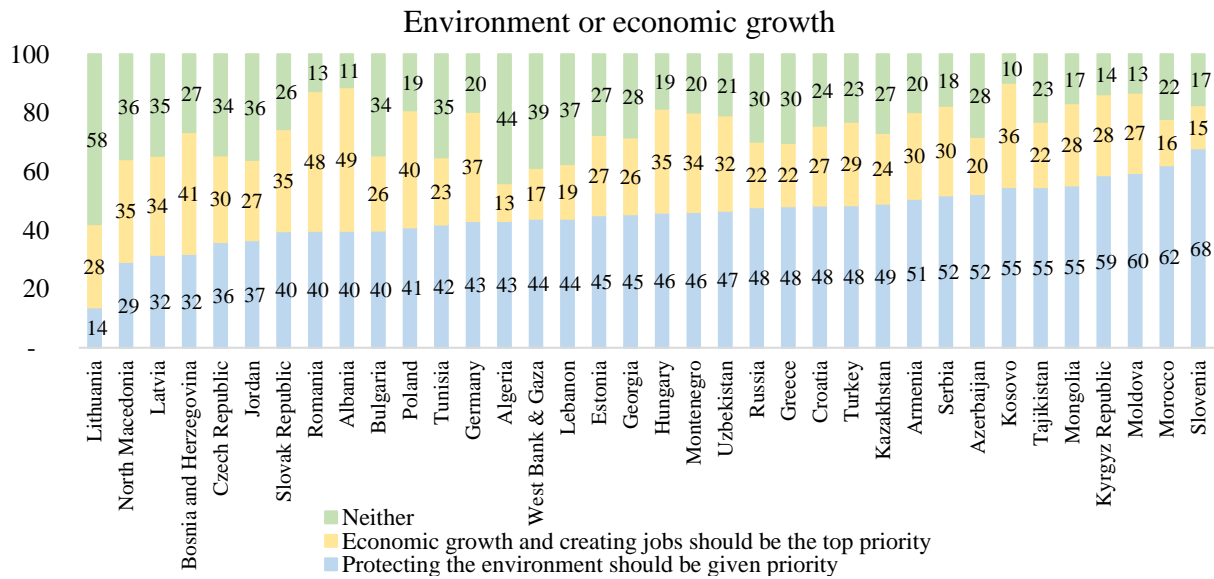
³ World Development Indicators, 2021

FIGURE 5 THERE IS STRONG ASSOCIATION BETWEEN PERCEIVED IMPACTS OF CLIMATE CHANGE AND LEVEL OF AGRICULTURAL ENGAGEMENT



Source: Authors' calculations using data from the Life in Transition IV survey and the World Development Indicators (2021).

FIGURE 6 PUBLIC IS MORE LIKELY TO CONSIDER PROTECTING ENVIRONMENT AS A PRIORITY OVER ECONOMIC GROWTH, HOWEVER, RESULTS VARY SIGNIFICANTLY ACROSS COUNTRIES.



Source: Authors' calculations using data from the Life in Transition IV survey.
 Note: the above figure is produced based on the following question "Here are two statements people sometimes make when discussing the environment and economic growth. Which of them comes closer to your own point of view?
 A. Protecting the environment should be given priority, even if it causes slower economic growth and some loss of jobs.
 B. Economic growth and creating jobs should be the top priority, even if the environment suffers to some extent.
 C. Neither.

People are more likely to select protecting environment over economic growth when presented with an option of choosing a priority between protecting environment and economic growth and jobs.

Despite the differences in responses to this question across the countries, environmental concerns prevailed in 29 countries (constituting 87% of the surveyed countries), with the share of respondents selecting protecting environment as a priority ranging between 36 to 68 percent (Figure 6). Protecting environment was chosen by a significant share of people in Kyrgyz Republic (59%), Tajikistan (55%), Armenia (51%), Georgia (45%) and Albania (40%). Yet, 49 percent of respondents in Albania opted for economic growth and jobs over protecting environment, the highest share across the ECA countries. In addition to Albania, the majority of respondents expressed preferences for prioritizing economic growth and job creation also in Lithuania (28%), North Macedonia (35%), Latvia (34%), Bosnia and Herzegovina (41%) and Romania (48%). It is also remarkable that on average 26 percent of individuals in the region refrained from taking a clear stance on this dichotomy, perhaps, because job creation and environment protection may be seen more as complimentary processes in some countries than others. Another survey revealed that between 17 to 25 percent of people in European countries considered that mitigation climate policies would lead to higher unemployment, highlighting public concerns over potential adverse impacts of certain climate policies on employment.⁴

Box 2 – climate change and economic growth

There is a perception that fast climate action could undermine economic growth and lead to job losses. While these concerns could be warranted, this view is often a result of neglecting the returns from transitioning to green economy. This box reviews first how investments in adaption benefits economic growth and then describes the relationship between mitigation and output.

Investing in adaption holds out substantial economic returns, in addition to environmental and social returns, like protecting lives and preserving human capital and livelihoods of people from intensifying climate shocks. The Global Commission on Adaption estimated that spending \$1.8 trillion on adaptation programs globally between 2020 and 2030 could generate around \$7.1 trillion in net benefit.⁵ These estimates considered investments in five areas: early warning systems, climate-resilient infrastructure, improved dryland agriculture crop production, global mangrove protection, and investments in making water resources more resilient. Other studies, like Hallegatte et al. (2019), suggest that investments in adaption yield returns above 100 percent.⁶

Investments in early warning systems and climate-resilient infrastructure increase economic resilience and promotes greater private investments and productivity. The latter area is associated with the highest economic returns, while the latter requires the largest share of overall investments in adaptation. Combined, these investments reduce: (a) negative impacts of natural disasters on economic activity, (b) damages and losses of physical assets, and (c) fiscal costs to recover from disasters. It is noteworthy that secondary effects of damaged assets and infrastructure on output, mainly due to disruptions in supply chains and changes in demand, generally exceed total disaster costs (Markhvida et al. 2019).⁷ Adaptation infrastructure also creates conducive environment for private investments due to raising expected private returns. This happens as adaption infrastructure protects private assets from natural disasters and reduces potential productivity losses from its secondary effects.

4 E. Dabla-Norris, T. Helbling, S. Khalid, H. Khan, G. Magistretti, A. Sollaci, & K. Srinivasan. Public Perceptions of Climate Mitigation Policies: Evidence from Cross-Country Surveys. Staff Discussion Notes, 2023.

⁵ Global Commission on Adaptation (GCA). 2018. Adapt Now: A Global Call for Leadership on Climate Resilience. Washington, DC: World Resources Institute.

⁶ Hallegatte, Stephane, Jun Rentschler, and Julie Rozenberg. 2019. Lifelines: The Resilient Infrastructure Opportunity. Washington, DC: World Bank.

⁷ Markhvida, M., B. Walsh, S. Hallegatte, and J. Baker. 2019. "Well-Being Loss: A Comprehensive Metric for Household Disaster Resilience." EarthArXiv. May 17. doi:10.31223/osf.io/6r93z.

The relationship between green transition and economic growth is less apparent – it appears to largely depend on policy regulations and structure of economy. This is because mitigation actions are usually associated with both job creation, due to promoting green sectors, and job destruction, due to gradual shrinking of carbon-intensive industries as a result of carbon pricing. The extent to which process prevail depends on multiple factors, like overall carbon intensity of the economy. Yet, recent studies suggest that carbon taxes may not necessarily hinder economic growth. For example, Metcalf and Stock (2020) show that carbon taxes have a zero to modest positive impact on GDP and employment growth using data for 31 European countries.⁸ As counterintuitive as this finding seems, there is an explanation for it.⁹ When industries are forced to reduce carbon intensity, they often opt to use more labor-intensive production processes creating stronger demand for workers. Thereby, the effects of carbon taxes on labor market fares better when compared with direct taxes, which lead to increasing cost of labor and stifling job creation. Hille and Möbius (2019) find that carbon tax and revenue recycling induce small job growth at aggregate level analyzing data from 27 OECD countries.¹⁰ However, research in this area also points out to differences in magnitudes and dynamics of the effects across countries, suggesting that it is the quality of policy regulations and structure of economy that matter the most in bolstering green job creation.

Fewer individuals expressed willingness to pay extra taxes or give up part of their income to combat climate change, compared to other investment areas (Table 1). Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan stand out from the rest of ECA countries, with 44 to 51 percent of respondents willing to pay for averting climate change, while the average in the region was 26 percent. The majority of respondents in ECA countries preferred that extra money received from them is spent for healthcare (48 percent), education (46 percent) and assisting the poor/ reducing inequality (43 percent). At the same time, the corresponding shares in Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan were notably higher: 71 percent - for assisting the poor, 68 percent - for healthcare, and 66 percent - for education.

TABLE 1 PEOPLE IN THE REGION ARE WILLING TO PAY FOR CLIMATE CHANGE BUT THEY REPRESENT A LOWER SHARE COMPARED TO OTHER AREAS (SHARE OF RESPONDENTS)

	Healthcare	Assisting the poor/ reducing inequality	Education	Pensions	Creating jobs	Housing	Public physical infrastructures	Combating climate change	Digital infrastructure
Albania	72	72	63	66	62	58	52	45	44
Armenia	72	69	70	62	62	44	49	44	41
Georgia	70	72	68	62	57	57	45	50	38
Kyrgyz Republic	59	68	60	56	52	43	37	44	31
Tajikistan	71	74	69	58	57	48	50	51	37
Central Asia	58	59	57	52	54	52	38	40	34

⁸ Metcalf, Gilbert E., and James H. Stock. 2020. "Measuring the Macroeconomic Impact of Carbon Taxes." AEA Papers and Proceedings, 110: 101-06.

⁹ Modeling carbon tax often assumes that it increases production costs, which leads to reduction of output demanded. This in turn translates into the reduction in demand for labor force.

¹⁰ Hille, E., and P. Möbius. 2019. Do energy prices affect employment? Decomposed international evidence. Journal of Environmental Economics and Management, 96 (2019), pp. 1-21

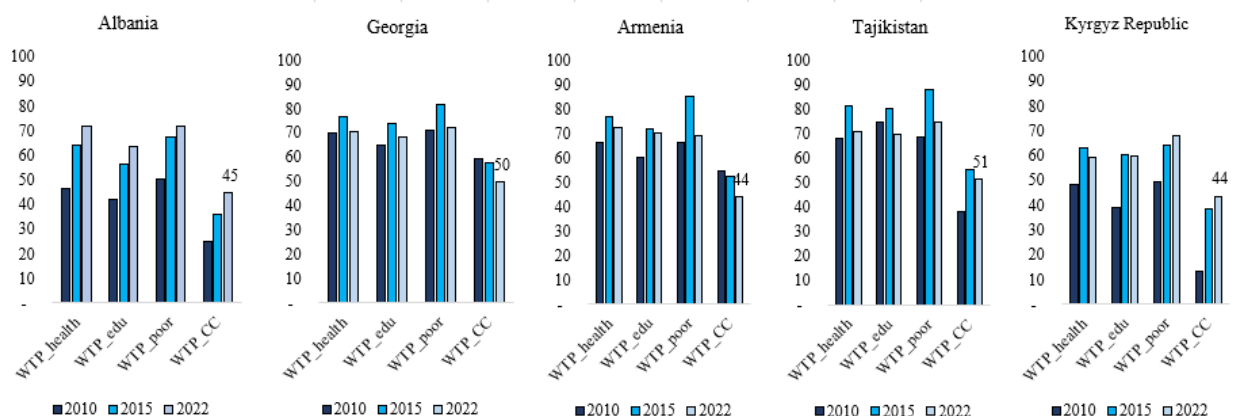
Central Europe	38	26	31	28	23	19	17	19	13
Eastern Europe	56	49	47	53	49	36	40	36	34
Middle East and N. Africa	59	57	51	31	35	33	23	21	17
Northern Europe	52	35	46	40	25	19	27	17	21
Russian Federation	44	34	35	40	32	32	29	15	18
South Caucasus	67	76	66	60	69	46	40	45	36
Southern Europe	41	28	34	22	21	14	11	18	9
Turkey	74	70	82	53	57	51	51	54	42
Western Balkans	65	60	55	57	52	40	38	38	31
Germany	18	18	32	16	15	7	9	19	9

Source: Authors' calculations using data from the Life in Transition IV survey.

Note: that the above figures are produced based on the question: "To what extent do you agree or disagree with each of the following statements: I would be willing to pay more in taxes if the extra money were used to fight climate change issues such as global warming or the greenhouse effect." Policy views are elicited on a 5-point scale "Strongly disagree," "Disagree," "Neither agree or disagree," "Agree," and "Strongly agree." The figure shows the share of respondents to answer "Agree" or "Strongly Agree". Population weights are used to produce regional averages.

In Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan the share of those who were willing to pay for fighting climate change has similar levels in 2023 while having different dynamics over time. Willingness to pay was the lowest in Kyrgyz Republic in 2010, with 10 percent of respondents agreeing to contribute financially and increased to 44 percent in 2023 (Figure 7). A similar pattern of increased self-reported participation is observed in Albania and Tajikistan. On the other hand, willingness to pay for climate change has declined in Georgia and Albania, a trend that could be concerning.

FIGURE 7 COUNTRIES ARE ROUGHLY AT THE SAME LEVEL IN TERMS OF WILLINGNESS TO PAY FOR COMBATING CLIMATE CHANGE; MORE CONCERNINGLY IN SOME COUNTRIES IT IS ON A DOWNWARD TREND.



Source: Authors' calculations using data from the Life in Transition II, II and IV surveys.

Note: that the above figures are produced based on the question: "To what extent do you agree or disagree with each of the following statements: I would be willing to pay more in taxes if the extra money were used to fight climate change issues such as global warming or the greenhouse effect." Policy views are elicited on a 5-point scale "Strongly disagree," "Disagree," "Neither agree or disagree," "Agree," and "Strongly agree." The figure shows the share of respondents to answer "Agree" or "Strongly Agree".

However, when asked to choose a single area to support with personal income or paying more taxes, roughly 3 percent of respondents in the ECA countries on average selected combating climate change (Table 2). The corresponding share was only around 1 percent on average in Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan. The majority of respondents in the region considered

healthcare (31 percent) and education (24 percent) as two sectors, additional investments in which are preferred the most. These were followed by the following areas: pensions (10%), job creation (10%) and assisting the poor (9%).

TABLE 2 THE CLIMATE CHANGE IS NOT THE PRIORITY AREA IN THE REGION: IT IS SIGNIFICANTLY LOWER THAN HEALTH AND EDUCATION ACROSS ALL COUNTRIES (SHARE OF RESPONDENTS)

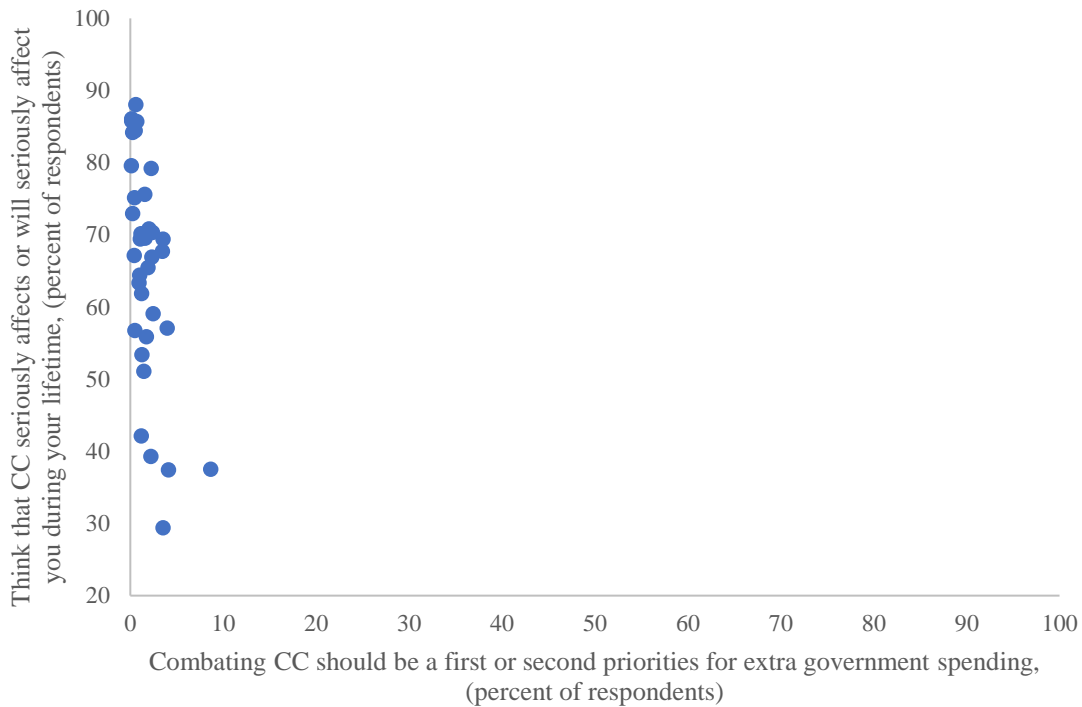
	Education	Healthcare	Housing	Pensions	Assisting the poor/ reducing inequality	Creating jobs	Combating climate change	Public physical infrastructures	Digital infrastructure
Albania	22	33	5	13	11	14	0	1	0
Armenia	31	34	5	5	9	13	0	1	0
Georgia	24	30	4	9	16	14	1	1	1
Kyrgyz Republic	24	22	6	9	13	15	2	4	3
Tajikistan	26	32	5	7	12	9	1	3	2
Central Asia	25	25	11	8	9	14	1	2	4
Central Europe	17	32	9	13	9	11	3	3	1
Eastern Europe	17	33	2	17	10	16	1	1	0
Middle East and N. Africa	29	37	8	5	11	8	0	1	0
Northern Europe	16	29	6	15	9	12	2	5	3
Russian Federation	25	34	7	11	7	10	1	2	1
South Caucasus	24	23	3	9	18	18	1	2	1
Southern Europe	18	36	2	13	8	19	2	2	1
Turkey	34	33	6	6	10	8	2	1	1
Western Balkans	18	29	4	12	13	19	1	2	0
Germany	21	20	10	15	9	8	9	4	5

Source: Authors' calculations using data from the Life in Transition IV survey.

Note: The above table is produced based on the following question: "In your opinion, which of these fields should be the first and second priorities for extra government spending?" Population weights are used to produce regional averages.

While a significant share of respondents believe that climate change is going to affect them seriously, only one percent of respondents thinks that it is a priority area for additional investment. Figure 8 reveals a striking contrast between people's perception about climate change effects and being a priority over other national concerns such as health, education, and jobs. There could be many reasons for this conundrum. For instance, climate change is an abstract phenomenon, namely a slow and gradual modification of average climate conditions, and thus a difficult phenomenon to detect and assess accurately based on personal experience for an average citizen. Alternatively, it is possible that people do not trust that funds collected for climate change may not be used for climate change but to finance government spending in other areas. Or, climate is a global problem and solutions require global coordination, which is inherently difficult and involves players who want to free-ride and those who worry about others free-riding. The rest of the report focuses on understanding the reasons behind this conundrum to inform future policy actions for climate change. In addition, Box 3 approaches this objective by examining what individual characteristics are correlated with choosing priority areas for additional spending.

FIGURE 8 ALTHOUGH PEOPLE ARE CONCERNED ABOUT THE EFFECTS OF CLIMATE CHANGE, THEY STILL DO NOT SEE IT AS A PRIORITY AREA TO INVEST.



Source: Authors’ calculations using data from the Life in Transition IV survey.

Box 3 – Why climate change is not considered a priority area compared to health and education.

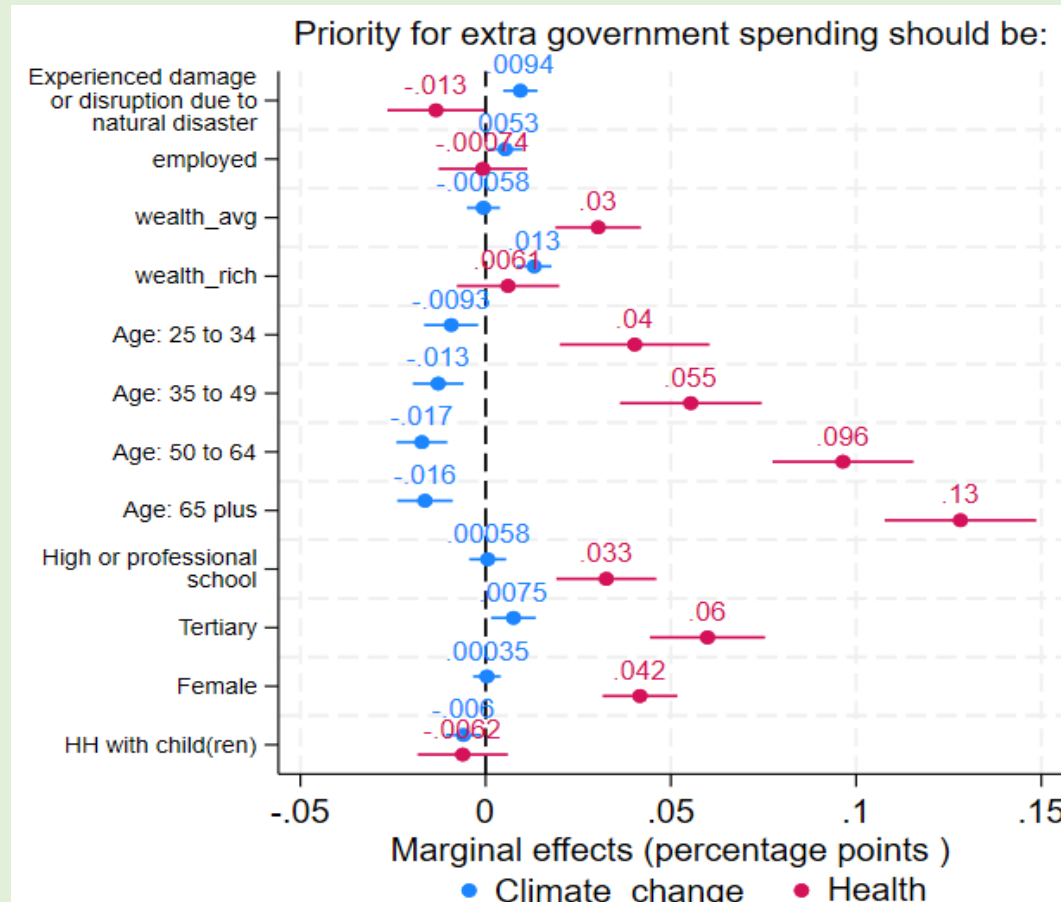
What could explain growing concerns with the climate change and not considering it as a priority area to invest, as shown in Figure 8? This box attempts to explain the reasons why many individuals selected education and healthcare and as priority areas as opposed to addressing climate change, using statistical analysis at individual level.

Education as a priority for additional government spending was more likely to be chosen by respondents with college degree and who live with children. These respondents may think that investing in education is a better choice since it would likely increase the chances of their children of getting high-quality tertiary education. After all, better human capital is associated with better job security and wages, which may grant the respondents’ family members more choices on how to adapt to the impacts of shocks from accelerating climate change. International evidence suggest that it is usually the poor who are disproportionately affected by climate shocks, so people may treat college level education as part of individual adaptation strategy. At the regional level, LITS data supports this argument: the number of children in households of the respondents who opted for spending more on education exceeds other households by 39 percent. Furthermore, the respondents who choose education as a priority are better educated – 32.5 percent of them have a college degree compared with 20.5 percent of the rest of respondents.

When it comes to choosing climate change and healthcare as priority areas, age appears to be the most important determinant of it. The respondents who are close to the retirement age may consider

that investing in healthcare is preferable for them, as healthcare utilization increases significantly with age once people pass the threshold of 60 years. As a result, access to quality healthcare may appear of greater importance for this group of people. According to statistical analysis presented in Figure 16, one can observe that the support for investing in healthcare increases with age, while the converse is true for combating climate change. Specifically, an individual of 65 age old and above is 13 percentage points more likely to prefer investments in healthcare, whereas this percentage switch to negative 1.6 percentage points for the same group of population to select fighting climate change.¹¹ Other individual characteristics correlated with addressing climate change and healthcare as priorities, include personal exposure to natural disasters, education and gender.

FIGURE 9 SOCIOECONOMIC CHARACTERISTICS ASSOCIATED WITH CHOOSING CLIMATE CHANGE AND HEALTHCARE AS PRIORITIES FOR GOVERNMENT EXTRA SPENDING



Source: Authors' calculations using data from the Life in Transition IV survey

Note: Coefficients are produced by a probit model, which also includes country fixed effects.

¹¹ when compared with the reference group of individuals of younger than 25 years old.

4. Awareness and support of government commitments and policies

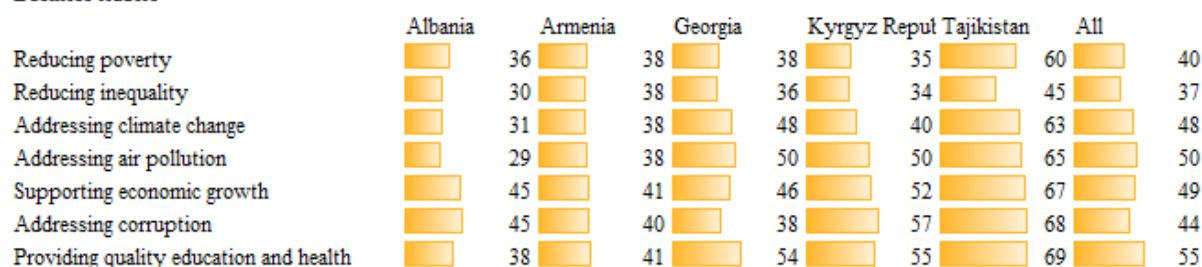
The belief that climate change has to be addressed is gaining momentum worldwide, with more than 150 countries implementing climate commitments reflected in the UN Paris Agreement. These commitments are known as nationally determined contributions (NDC) and have an overarching goal of curbing global temperature by reducing greenhouse emissions and fostering adaptation and resilience capacity to increasing climate shocks. For Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan, the NDC specifies the responsibility not to exceed greenhouse emissions of 50 to 70 percent of the 1990 levels by 2030. A smaller but increasing number of countries adopted long-term ambitious targets of achieving carbon neutrality on average by 2050. Low awareness about global and national efforts to mitigate and adopt to climate change could be one of the factors behind choosing non-climate related priorities. This section explores respondents' awareness of national climate policies and their level of support for green transition.

Many respondents were not aware of climate change policies. On average, 32 and 48 percent of individuals and business leaders, respectively, reported being very or fairly well informed about policies on addressing climate change (Table 3). Among individuals, the awareness level of climate change policies was the highest in Tajikistan (47 percent) and the lowest in Armenia (16 percent). When it comes to business leaders, the highest level of awareness was observed in Tajikistan (63%), followed by Georgia (50%) and Kyrgyz Republic (50 percent), and the lowest in Albania (31 percent).

TABLE 3 BUSINESS LEADERS' AWARENESS OF CLIMATE CHANGE POLICIES IS HIGHER THAN THAT OF INDIVIDUALS.

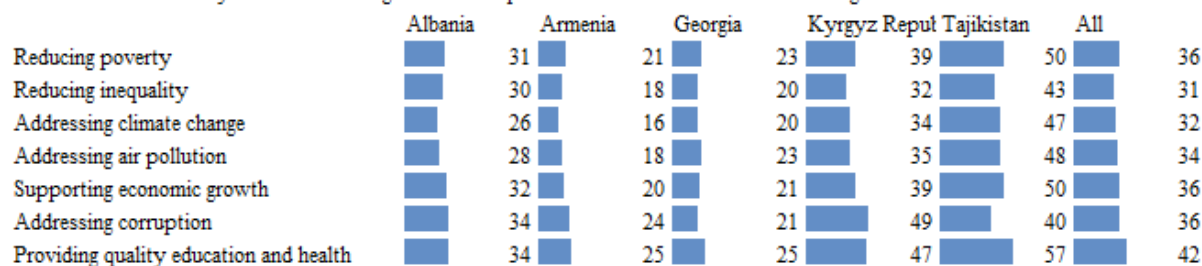
How well informed do you feel about the government's policies to address each of the following?

Business leaders



Individuals

How well informed do you feel about the government's policies to address each of the following?



Source: Authors' calculations using data from the Life in Transition IV survey.

Note: The above table is produced based on the following question "How well informed do you feel about the government's policies to address each of the following". Policy views are elicited on a 4-point scale "Very well informed," "Fairly well

informed,” Not very well informed,” and “Not at all informed.” The figure shows the share of respondents to answer “Very well informed” or “Fairly well informed.”

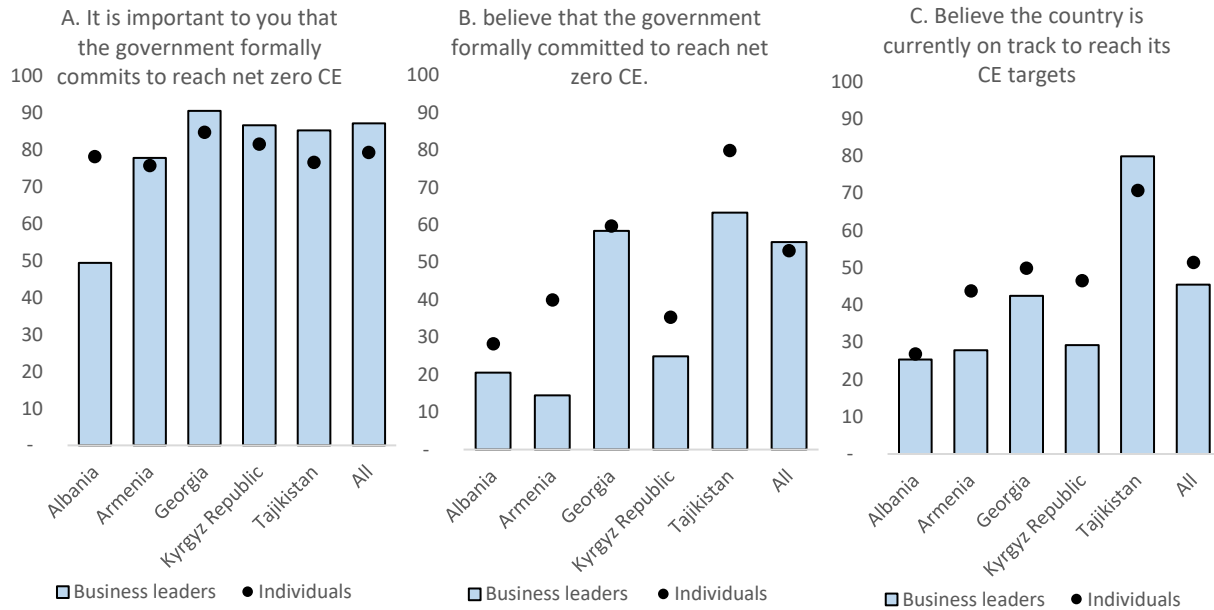
Over 80 percent of individuals and business leaders in Armenia, Georgia, Kyrgyz Republic and Tajikistan agreed that it was important for them that their governments commit to reach net zero carbon emission (Figure 9A). In Albania, 78 percent of individuals shared the importance of attaining neutral carbon emissions, but only 49 percent of business leaders did so. Nevertheless, the survey points out to wide public support for moving toward green economy.

When it comes to respondents’ beliefs whether their governments formally committed to attain carbon neutrality, on average 55 and 53 percent of business leaders and individuals, respectively, believe so in the five countries (Figure 9B). While Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan signed the Paris Declaration and assumed the NDC, i.e. the responsibility to not to exceed greenhouse emissions of 50 to 70 percent of the 1990 levels, only Georgia formally adopted the goal of reaching carbon neutrality by 2050 in a policy document.¹² The governments of Armenia and Kyrgyz Republic are in the process of technical discussions to devise a framework and reach a consensus on timeline to complete the transition to green economy. It is possible that an average respondent is not privy to the details of NDC and could treat carbon neutrality as an integral part of it.

Similarly, 45 and 51 percent of business leaders and individuals in these countries, respectively, believe that their countries are on track to achieve the 2030 carbon emission targets outlined in the NDC (Figure 9C). Overall, the difference between the share of respondents expressing importance of moving toward the long-term goal of transforming economy to carbon-neutral and those who think the progress is on track, with respect to the 2030 short-term targets, appears to be large. First, this implies that the support for climate action is high. On the other hand, it shows that there is some skepticism about governments’ progress to transit to low-carbon state of economy. This may be attributed to low public awareness about climate change policies and/or the lack of knowledge about current levels of national emissions.

¹² NDC varies by country and for some countries are linked to external financing; more details are provided in country annexes.

FIGURE 10 IN ALL COUNTRIES COMMITTING TO NET ZERO CARBON EMISSIONS (CE) IS SUPPORTED, BUT PEOPLE TEND TO THINK THAT THEIR COUNTRIES ARE LAGGING BEHIND WITH RESPECT TO SHORT-TERM CE TARGETS.

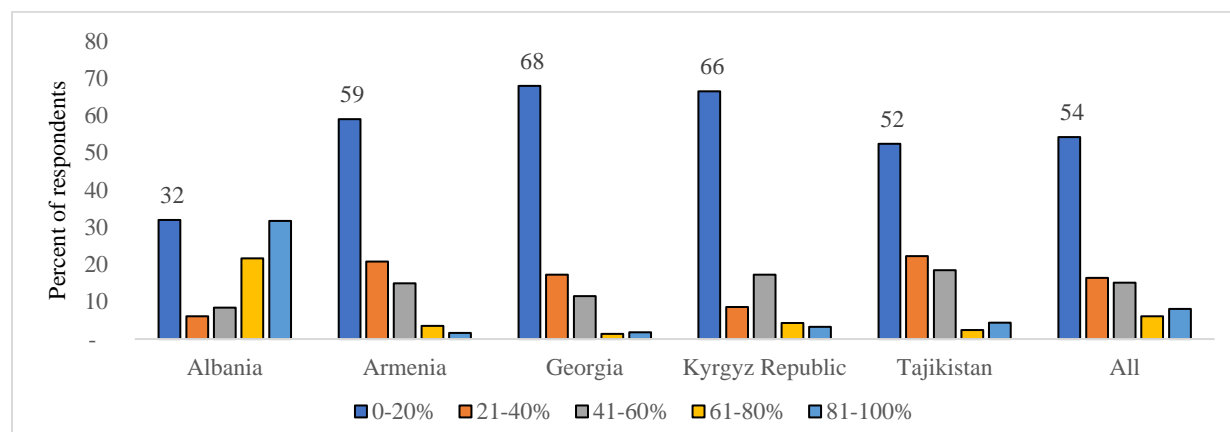


Source: Authors' calculations using data from the Life in Transition IV survey.

Note: Policy views related the question A are elicited on a 4-point scale “Very important,” “Fairly important,” “Not very important,” and “Not important at all.” The figure shows the share of respondents to answer “Fairly important” or “Very important”. The rest of questions (B and C) are based on “Yes” and “No” scale.

In addition, respondents in all countries were unaware that a significant share of domestic energy production, the largest source of greenhouse gas emission globally, comes from renewable sources (Figure 10). For example, on average, 54 percent of individuals thought that the share of energy produced from renewable sources in their counties ranged between 0 to 20 percent. In reality, such countries like Albania, Tajikistan and Kyrgyz Republic rely almost exclusively on hydro power generation (comprising over 90 percent of their total energy output), which puts them in an advantageous position with respect to attaining carbon neutrality. This indicator constitutes 81 and 30 percent in Georgia and Armenia, respectively. However, it is only in Albania, where almost of one third of respondents indicated that the country generated over 80 percent of electricity from renewable sources, while the corresponding share was less than 5 percent in Georgia, Kyrgyz Republic, and Tajikistan, revealing the lack of respondents’ knowledge on this subject.

FIGURE 11 THE MAJORITY OF PEOPLE THOUGHT THAT VERY LOW SHARES OF ENERGY PRODUCTION IN THEIR COUNTRIES CAME FROM RENEWABLE SOURCES.



Source: Authors' calculations using data from the Life in Transition IV survey.

Note: the figure is produce based on the following question "On a typical day, what percentage of the energy produced in your country do you think comes from renewable resources such as wind, solar, geothermal etc?"

5. Zooming in on importance of addressing climate change and political economy.

While public support for green transition in the region appears to be high, securing fiscal space for implementing climate policies is a crucial element for governments to meet the NDC targets. This section examines a battery of questions on political economy of climate change investments, including public perceptions on what actors should be responsible for financing climate action. The section also investigates how respondents perceive the capacity of governments to channel the funds earmarked for addressing climate change and the role of information sharing in raising domestic resources to fund climate action.

Given that many countries observe disparities between their commitments and capabilities, distribution of financing required to meet NDC is often a subject of bargaining and debates. In addition, policy makers appeal to the concept of distributive justice, typically referring to the polluter-pay principle (those emitting pollutants are responsible for recuperating damages) and the ability-to-pay principle (those who have means pay).¹³ Mindful of substantial financial resources required to achieve the NDCs, some countries, like Tajikistan, explicitly aligned external financial support with carbon emission targets.¹⁴ As a result, respondents across countries are likely to have different views on how the costs of addressing climate change should be shared.

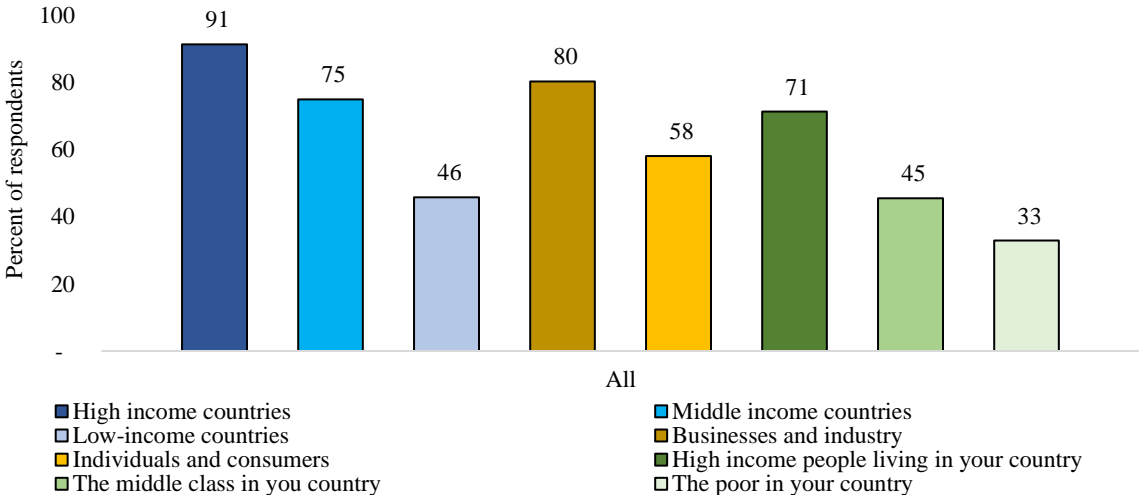
Respondents considered that high-income countries, businesses and high-income people in their countries were responsible for funding climate change policies. On average, 91 percent of individuals

¹³ The polluter-pay principle also may involve intertemporal consideration given that the current emissions of pollutants can differ drastically from historically accumulated stocks. Other principles exist as well.

¹⁴ The annual cost of adaptation program alone in Tajikistan is estimated at roughly 3 percent of GDP, one of the highest in the region. (IMF, 2003, Asia's Perspectives on Climate Change Policies, Perceptions, and Gaps, Discussion paper No. 2023/008). Conditional on international support, Tajikistan have committed to reach NDC targets of 40-50 percent reduction in emission by 2030, compared to 1990 levels. At the same time, unconditional NDC targets constitute 30-40 percent of the 1990 levels.

felt that high-income countries should fund climate change investments, while this percentage was 80 and 71 for businesses/industry and high-income people, respectively (Figure 11). At the same time, 75 and 46 percent of individuals agreed that middle- and low-income countries, respectively, should pay for climate change policies. These results demonstrate that respondents were driven by inequality concerns – the burden of financing climate change policies according to their views should increase with the level of economic development and personal income. Interestingly, the share of respondents who considered that not only rich countries should pay for combating climate change was alike across the five countries, regardless their level of economic development.

FIGURE 12 HIGH-INCOME COUNTRIES, BUSINESSES/INDUSTRY AND HIGH-INCOME PEOPLE IN THE COUNTRY WERE CONSIDERED TO BE RESPONSIBLE FOR FUNDING THE CLIMATE CHANGE INVESTMENTS.



Source: Authors’ calculations using data from the Life in Transition IV survey.
 Note: the above question was produced based on the following question: How much responsibility, if any, do you think each of the following groups has for paying for the cost of these investments? Policy views are elicited on a 4-point scale “A great deal of responsibility,” “A fair deal of responsibility,” “No very much responsibility,” and “No responsibility at all.” The figure shows the share of respondents to answer “A great deal of responsibility” or “A fair deal of responsibility.”

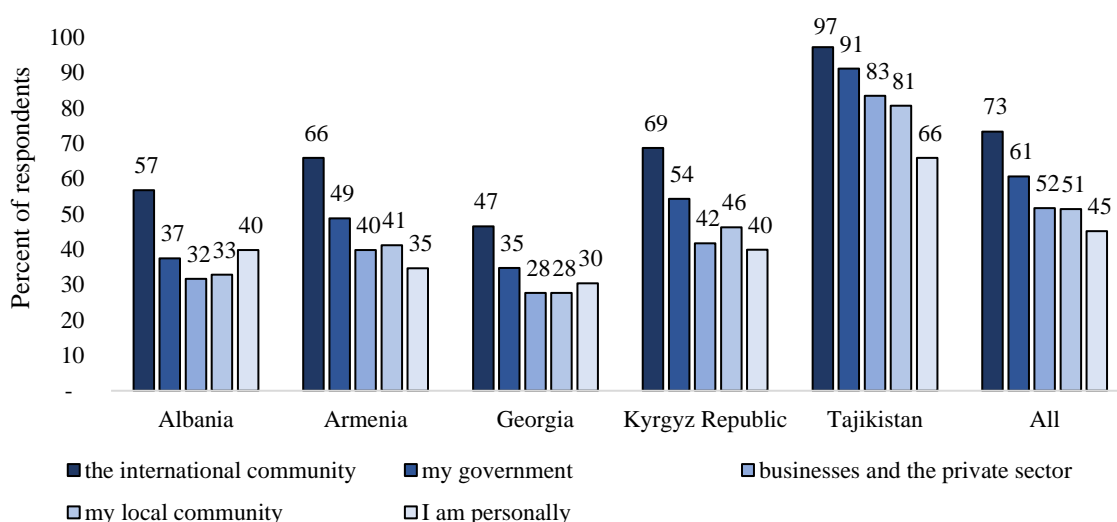
Climate change is exemplified as a global public good, implying that it depends on the actions of economies that produce the most greenhouse gas. Could it be the case that the residents of small countries consider that achieving carbon neutrality in their countries may not necessarily lead to averting the climate change if they are skeptical about the collective action? More data is required to test this hypothesis rigorously, however, the results from a similar survey, covering 28 advanced and emerging market economies, shows that between 60 to 80 percent of respondents believe “that climate policy will be effective only if most countries adopt measures to reduce carbon emissions”.¹⁵ Furthermore, Betchel et al. (2022) shows that people are more likely to approve implementing costly climate change policies if

¹⁵ Dabla-Norris, Era and Khalid, Salma and Magistretti, Giacomo and Sollaci, Alexandre, Public Support for Climate Change Mitigation Policies: A Cross Country Survey. IMF Working Paper No. 2023/223, Available at SSRN: <https://ssrn.com/abstract=4619841> or <http://dx.doi.org/10.5089/9798400258121.001>

other countries adapt similar policies.¹⁶ These findings are explained by increased effectiveness of such policies, when undertaken collectively, along with fairness and equity considerations.

The majority of respondents (73 %) considered that the international community was doing enough to combat climate change, followed by their governments (61 %), businesses (52%) and local communities (51%). Interestingly, only 45 percent of respondents, on average, claimed that were doing enough personally (Figure 12). Tajikistan had the highest proportion of respondents who thought that different stakeholders were exerting enough efforts to counter climate change, while the lowest proportion was recorded in Georgia. The latter could be attributed to greater awareness in Georgia about significant required improvements in climate agenda as part of EU accession process.

FIGURE 13 RESPONDENTS BELIEVED THAT THE INTERNATIONAL COMMUNITY WAS DOING ENOUGH TO ADDRESS CLIMATE CHANGE AMONG ALL STAKEHOLDERS; INTERESTINGLY, RESPONDENTS ALSO SIGNALLED THAT THEY WERE NOT DOING ENOUGH.



Source: Authors' calculations using data from the Life in Transition IV survey.

Note: the above figure is based on the following question: I believe [...] is/are doing enough to address climate change. Policy views are elicited on a 2-point scale "Agree" and "Disagree." The figure shows the share of respondents to answer "Agree."

Securing financing for implementing climate policies is a crucial element for governments to meet the NDC targets. As many countries saw deteriorating fiscal space and slow recovery since the COVID pandemic this becomes of paramount importance. At domestic level, additional revenue mobilization and improving efficiency and prioritization of spending are generally two ways to address potential financial shortfalls. Evidence from other surveys points out that conveying information on expected benefits of a particular climate change policy, which is funded by additional taxes from public, can engender greater public support or overcome initial public resistance.¹⁷ The capacity of governments to channel the funds earmarked for addressing climate change and the role of information sharing in raising domestic resources to fund climate action is key in increasing support for those policies.

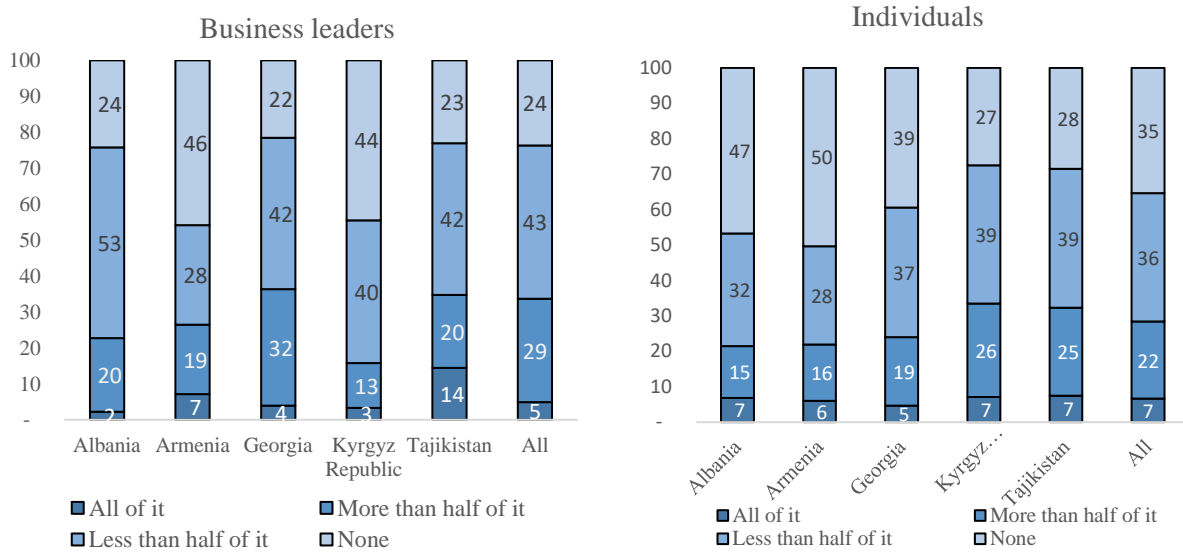
¹⁶ Bechtel, M.M., Scheve, K.F. & van Lieshout, E. Improving public support for climate action through multilateralism. *Nat Commun* 13, 6441 (2022). <https://doi.org/10.1038/s41467-022-33830-8>

¹⁷ E. Dabla-Norris, T. Helbling, S. Khalid, H. Khan, G. Magistretti, A. Sollaci, & K. Srinivasan. Public Perceptions of Climate Mitigation Policies: Evidence from Cross-Country Surveys. Staff Discussion Notes, 2023.

A large share of respondents considered that the proceeds from a hypothetical increase in electricity tariffs to address climate change would be likely spent on other purposes by local electricity suppliers. In particular, only around 34 percent of business leaders and 28 percent of individuals responded that all or more than a half of extra tariff would be used to combat climate change (Figure 13). The share of individuals who thought so was the highest in Kyrgyz Republic (33 %) and the lowest in Albania and Armenia (22 %). Conversely, the proportion of business leaders, who believed that at least half of extra tariff earmarked for coping with climate change would be spent on it, was the lowest in Kyrgyz Republic (16 %) and the highest in Georgia (36 %).

On average, roughly similar shares of respondents believed that hypothetical extra taxes, collected and administered by their governments to fight climate change, would be spent on other needs (Figure 14). The only country where the respondents changed their view on the proportion of money spent on climate change investments if it is administered by the government vs a local energy producer is Tajikistan. Specifically, 56 percent of business leaders in Tajikistan conjectured that at least half of new green taxes would be spent on the intended purposes, when compared with 34 percent if extra money would be managed by local energy suppliers.

FIGURE 14 RESPONDENT BELIEVED THAT EXTRA ELECTRICITY TARIFF COLLECTED FOR CLIMATE CHANGE WERE LIKELY TO BE USED FOR OTHER PURPOSES BY LOCAL SUPPLIERS.

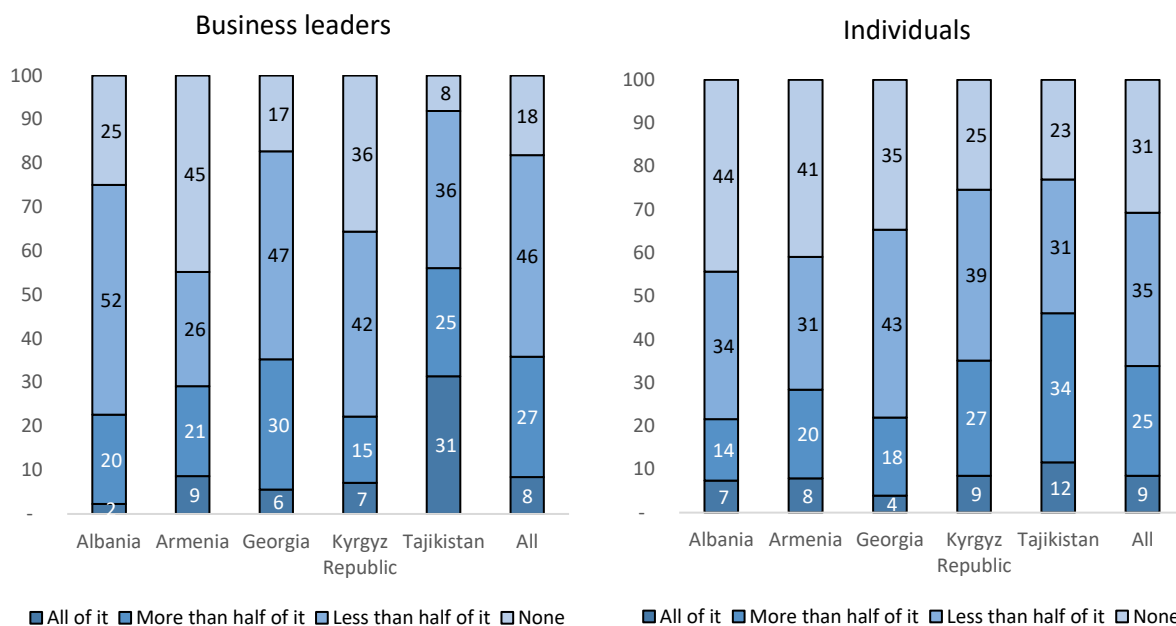


Source: Authors' calculations using data from the Life in Transition IV survey.

Note: the above figure was produced based on the following question: Imagine you read about the following in a newspaper: "The price of electricity is expected to rise by 20 percent next month due to efficiency standards related to addressing climate

change.” How much of this additional money that your electricity supplier would receive from its customers do you think it would use to help fight against climate change?

FIGURE 15 RESPONDENT ALSO BELIEVED THAT THE ADDITIONAL TAXES, COLLECTED AND ADMINISTERED BY THEIR GOVERNMENTS TO ADDRESS CLIMATE CHANGE, WERE LIKELY TO BE USED FOR OTHER PURPOSES.



Source: Authors’ calculations using data from the Life in Transition IV survey.

Note: the above figure was produced based on the following question: Now imagine you read about this scenario in a newspaper: “The government is expected to introduce a carbon tax of 30 EURO per ton of carbon emission to be paid by energy producers to raise funds to address climate change.” How much of these funds do you think that the government would use to fight against climate change?” How much of this additional money that your electricity supplier would receive from its customers do you think it would use to help fight against climate change?

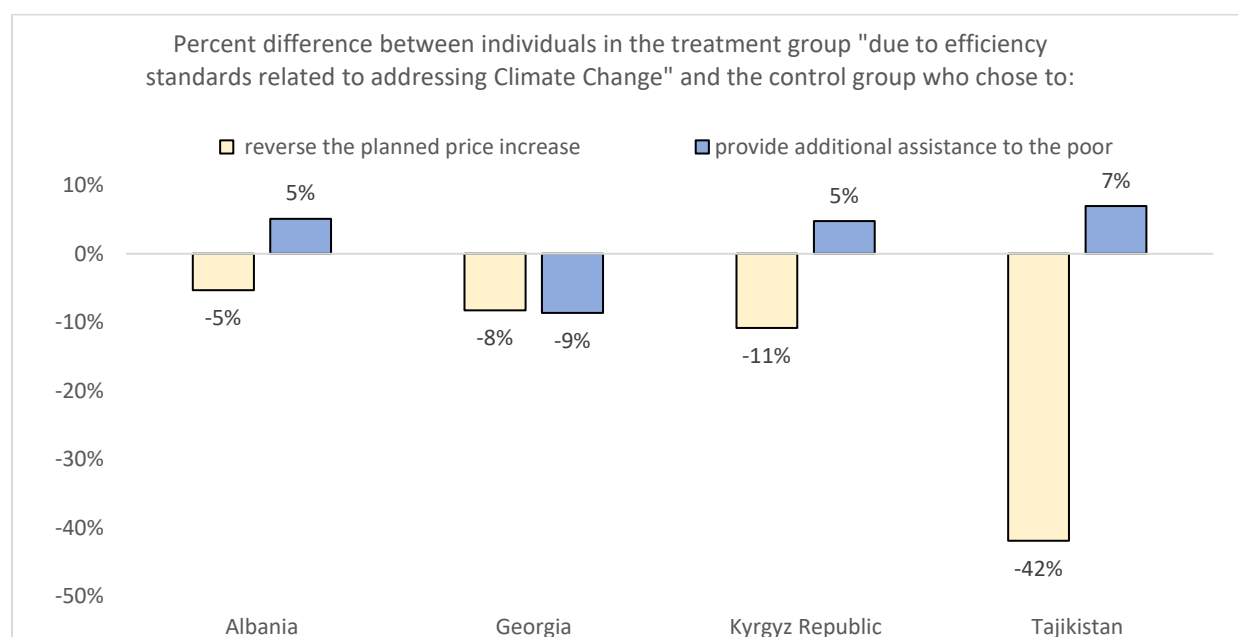
Individuals were less opposed to rises in electricity tariff and more likely to support the poor from negative impacts of the tariff increase if they learnt that the proceeds are earmarked for addressing climate change. Among those who was in opposition to the tariff hike in Albania, Georgia and Kyrgyz Republic, the share of individuals, who learnt that extra revenue would be used to fight climate change, was less by 5 to 11 percent than the share of individuals who were not told how the extra money would be spent (Figure 15). Tajikistan saw even a more notable decline of 42 percent. These findings are consistent with the existing literature. For example, Stantcheva et al. (2022) show that information campaigns can substantially increase the support for climate policies.¹⁸ In addition, conveying information about earmarking extra revenues to address climate change also increased the share of those who opted for providing additional assistance to poor households by 5 to 7 percent in Albania, Kyrgyz Republic and Tajikistan. However, this share dropped by 9 percent in Georgia.

The above results were derived from an embedded experiment, which had a purpose to understand if informing the respondents about the way extra revenue from carbon taxes is spent changes their view on a new policy. In a nutshell, the experiment examined the differences between the answers of

¹⁸ Dechezleprêtre, A., Fabre, A., Kruse, T., Planterose, B., Chico, A. S., & Stantcheva, S. (2022). Fighting climate change: International attitudes toward climate policies (No. w30265). National Bureau of Economic Research.

respondents who were exposed to slightly different information in a short vignette. The vignette had the identical beginning and a follow-up question: “Now imagine you read about this fictional scenario in a newspaper: the price of electricity is expected to rise by 20 percent. What do you think the government’s response should be?” This is all the information the respondents randomly assigned to one group (called “control”) heard. Another group of respondents (called “treatment”) heard, before the question, the following additional piece of information: “due to efficiency standards related to addressing Climate Change”, which was intended to elucidate the reason behind the increase in energy tariff. All respondents had to select between 3 options: “provide additional financial assistance to poor families”, reduce regulatory standards to reverse the planned price increase” and “do nothing.”

FIGURE 16 INDIVIDUALS ARE LESS OPPOSED TO INCREASING ENERGY TARIFFS AND MORE SUPPORTIVE OF ASSISTING THE POOR IF THEY LEARN THAT EXTRA REVENUE WOULD ADDRESS CLIMATE CHANGE.



Source: Authors’ calculations using data from the Life in Transition IV survey.

Note: the above figure was produced based on the following question: Now imagine you read about this fictional scenario in a newspaper:

Control group: The price of electricity is expected to rise by 20 percent.

Treatment group: The price of electricity is expected to rise by 20 percent due to efficiency standards related to addressing CC. What do you think the government’s response should be?

6. Assessing support for adaptation and mitigation policies.

Implementing climate change policies may appear challenging, as governments are not only constrained by fiscal space and technical expertise, but also have to take into account people’s preferences with respect to different types of mitigation and adaptation policies. This section examines what kind of climate policies are supported and what the most significant ways to curb climate change are from public perspective. Respondents were presented with a list of mitigation policies covering introduction of energy efficiency measures, taxes on carbon emissions and products leaving high carbon trace, subsidizing climate-smart products and infrastructure, among others. Adaptation policies included protecting infrastructure from natural disasters, introducing crops resilient to weather shocks, increasing

coverage of insurance of assets against climate shocks and improving safety net programs to protect the most vulnerable groups from climate shocks.

Reducing the carbon emissions in transportation and manufacturing, further developing public transport are the top three supported policies. Over 90 percent of business leaders in Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan said that they endorsed them, while the level of support from individuals ranged from 86 to 89 percent (Table 4). Reducing the use of natural gas and teleworking to decrease commuting are the least popular policies: between 73 and 75 percent of respondents in all five countries expressed approval of it. However, these averages hide some notable differences both across the countries and between stakeholders. For example, telecommuting is the only policy that was supported by less than 50 percent of business leaders in Armenia, while its approval from individuals (73%) is basically the same as the average for all five countries. Similarly, business leaders in Albania expressed disapproval of expanding telecommuting (38%) and curbing the consumption of natural gas (38%), while the support from individuals is at least twice as high.

TABLE 4 POLICIES TARGETED AT CURBING CARBON EMISSIONS IN TRANSPORT AND MANUFACTURING, ALONG WITH DEVELOPING PUBLIC TRANSPORTATION, ARE SUPPORTED THE MOST.

How important is investment from the government in the following to address climate change?

Business leaders

	Albania	Armenia	Georgia	Kyrgyz Republic	Tajikistan	All
Reducing the carbon emissions of transportation	53	86	96	89	94	92
Reducing the carbon emissions of manufacturing	50	84	94	90	94	91
Reducing the carbon emissions of agriculture	50	81	84	79	88	82
Reducing the carbon emissions of energy production	53	82	87	90	89	85
Further develop public transport	66	85	96	94	94	93
Reducing the use of coal	46	83	87	90	80	84
Reducing the use of oil	46	83	89	81	74	84
Reducing the use of natural gas	38	83	82	46	69	75
Increasing energy efficiency in public buildings	78	82	91	88	94	90
Increasing energy efficiency in privately owned buildings	74	82	87	87	94	87
Increase opportunities to work from home to reduce commuting	38	47	79	65	82	75
Making sure proposals to combat climate change help low-income HHs	49	82	93	76	90	88

Individuals

	Albania	Armenia	Georgia	Kyrgyz Republic	Tajikistan	All
Reducing the carbon emissions of transportation	88	91	95	89	84	89
Reducing the carbon emissions of manufacturing	85	92	96	88	83	88
Reducing the carbon emissions of agriculture	73	87	92	80	79	82
Reducing the carbon emissions of energy production	76	91	93	83	79	84
Further develop public transport	90	92	94	84	81	86
Reducing the use of coal	84	81	91	79	73	80
Reducing the use of oil	86	81	90	81	75	81
Reducing the use of natural gas	80	77	84	68	74	75

Increasing energy efficiency in public buildings	85	87	90	80	77	82
Increasing energy efficiency in privately owned buildings	82	85	90	78	76	81
Increase opportunities to work from home to reduce commuting	77	74	78	71	71	73
Making sure proposals to combat climate change help low-income HHs	78	83	86	80	74	79

Source: Authors' calculations using data from the Life in Transition IV survey.

Note: the above tables were produced based on the following question: How important is investment from the government in the following to address climate change? Note: Policy views are elicited on a 4-point scale "Very important," "Fairly important," "Not very important," and "Not at all." The figure shows the share of respondents to answer "Very important" or "Fairly important."

There is an agreement among respondents on the most and least preferred policies for reducing the greenhouse gas emission. On average, over 80 percent of business leaders were in favor of providing subsidies for purchased electric cars and public transportation, except of Albania where the corresponding percentage is roughly twice as low (Table 5). These two policies were supported on average by 70 percent of individuals. The most unfavorable policies included placing a new tax on meat and food that release carbon dioxide in production and banning short-distance flights. These two policies are favored on average by 59 and 56 percent of business leaders, and by 52 and 54 percent of the population, respectively. It is noteworthy to highlight that the country with the largest share of supporters of greenhouse gas reduction policies among the population is Albania. At the same time, the business community in Albania appears to be in opposition to all sort of policies addressing greenhouse emission when compared with the rest of countries – for example, their support ranges from just 16 to 25 percent for 6 out of the 8 presented policies.

TABLE 5 POLICIES INVOLVING SUBSIDIES TO REDUCE THE GREENHOUSE EMISSIONS ARE MOST POPULAR.

Do you favor or oppose the following policies for reducing the greenhouse gas emissions?

Business leaders

	Albania	Armenia	Georgia	Kyrgyz Republic	Tajikistan	All
Higher taxes for vehicles that use fossil fuels	28	46	68	68	71	66
A tax of 30 EURO per ton of carbon emitted for businesses	20	43	70	74	75	67
Subsidize the purchased electric cars	38	83	84	96	94	83
Additional government subsidies to lower the cost of public transportation	53	85	82	89	96	82
Banning new gasoline cars and trucks by the year 2040	16	75	75	78	81	72
Placing a new tax on meat and food that release carbon dioxide in production	21	49	61	62	62	59
Banning the use of fossil fuels	25	71	78	75	81	75
Banning short-distance flights (1-2 hours)	21	61	56	61	73	56

Individuals

	Albania	Armenia	Georgia	Kyrgyz Republic	Tajikistan	All
Higher taxes for vehicles that use fossil fuels	64	52	44	58	60	56
A tax of 30 EURO per ton of carbon emitted for businesses	62	54	48	57	58	56
Subsidize the purchased electric cars	77	80	67	63	67	70
Additional government subsidies to lower the cost of public transportation	80	80	65	66	68	71
Banning new gasoline cars and trucks by the year 2040	70	55	56	56	60	59
Placing a new tax on meat and food that release carbon dioxide in production	60	47	41	51	58	52

Banning the use of fossil fuels	67	49	45	51	60	54
Banning short-distance flights (1-2 hours)	59	53	43	49	67	54

Source: Authors' calculations using data from the Life in Transition IV survey.

Note: the above table was produced based on the following question: Do you favor or oppose the following policies for reducing the greenhouse gas emissions? Policy views are elicited on a 5-point scale "Strongly in favor," "Somewhat in favor," "Neither in favor nor oppose," "Somewhat oppose," and "Strongly oppose." The figure shows the share of respondents to answer "Somewhat support" or "Strongly support."

The level of support of different types of policies to adapt to climate shocks is very high. Among business leaders, even least supported policies, like supporting reduction of excessive water use and investing in systems for recycling and reusing water, were endorsed by 90 percent of respondents (Table 6). Similar patterns of support were registered among individuals, where the level of endorsement for any adaptation policy ranged between 88 and 92 percent.

TABLE 6 THERE IS SIGNIFICANT SUPPORT FOR DIFFERENT TYPES OF ADAPTATION POLICIES.

Do you favor or oppose the following policies for fighting against climate shocks such as floods, drought, etc.?

Business leaders

	Albania	Armenia	Georgia	Kyrgyz Republic	Tajikistan	All
Encourage and support practices for all to reduce excessive water use	81	80	91	83	88	90
Invest in systems for water reuse, recycling, rainwater harvesting, etc.	85	81	91	91	90	90
Develop crops that are resilient to drought	86	83	92	95	94	93
Encourage and support practices for all to reduce excessive electricity use	88	82	95	84	92	93
Build flood barriers to protect public and private buildings, land, roads etc.	88	78	95	95	94	95
Promote the use of insurance for assets, lands, crops against natural disasters	87	83	95	92	91	94
Provide financial support to low-income HHs in case of loss and damage due to CC	85	85	93	96	98	93

Individuals

	Albania	Armenia	Georgia	Kyrgyz Republic	Tajikistan	All
Encourage and support practices for all to reduce excessive water use	90	89	84	88	90	88
Invest in systems for water reuse, recycling, rainwater harvesting, etc.	94	94	87	88	86	89
Develop crops that are resilient to drought	93	95	91	93	87	91
Encourage and support practices for all to reduce excessive electricity use	93	95	89	91	84	90
Build flood barriers to protect public and private buildings, land, roads etc.	96	94	92	91	85	91
Promote the use of insurance for assets, lands, crops against natural disasters	95	97	92	90	81	90
Provide financial support to low-income HHs in case of loss and damage due to CC	95	97	93	90	90	92

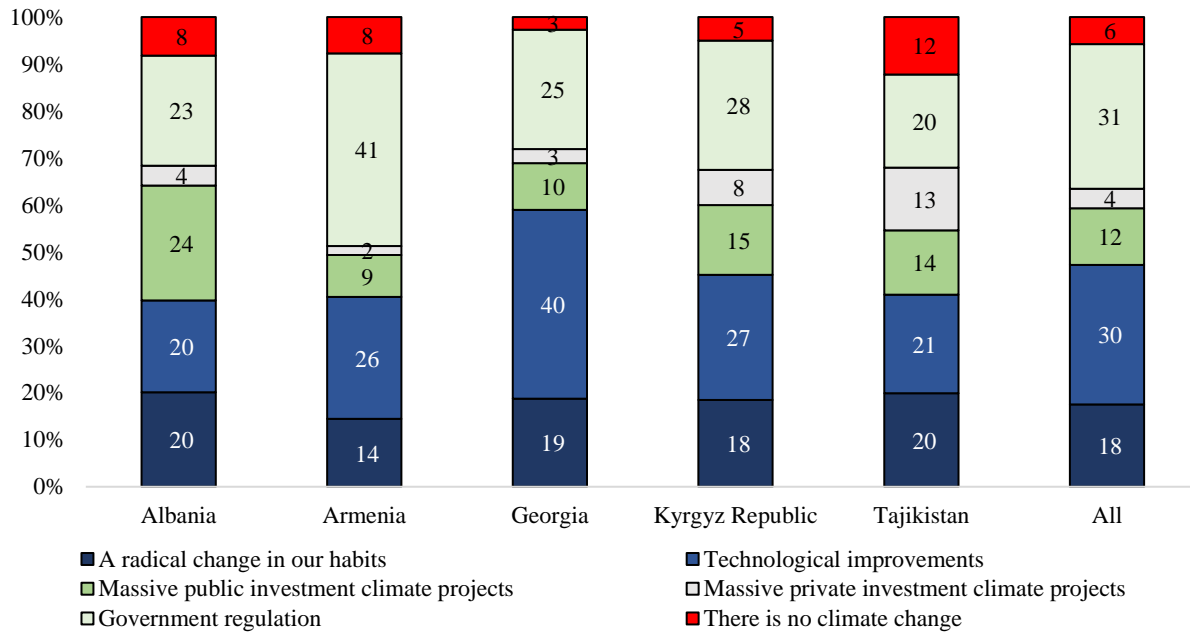
Source: Authors' calculations using data from the Life in Transition IV survey.

Note: The above table was produced based on the following question: Do you favor or oppose the following policies for fighting against climate shocks such as floods, drought, etc.? Policy views are elicited on a 2-point scale "Favor" and "Oppose." The figure shows the share of respondents to answer "Favor."

Public perceive that governments - rather than the private sector - should take a leading role in coping with climate change. Figure 17 reveals that 43 percent of respondents consider that government regulations and public investment projects is the most important way to tackle climate change. Conversely, private investment projects are viewed in this way only by 4 percent of public. Thirty percent of respondents attribute a pivotal role in averting climate change to technological improvements. At the

same time, slightly less than one fifth of respondents think that a radical change in their habits will be the main driving force behind combating climate change.

FIGURE 17 RESPONDENT BELIEVE THAT GOVERNMENT REGULATIONS AND INTERVENTIONS, ALONG WITH TECHNOLOGICAL IMPROVEMENTS, ARE THE MOST SIGNIFICANT WAYS TO STOP OR DRASTICALLY LIMIT CLIMATE CHANGE.



Source: Authors' calculations using data from the Life in Transition IV survey.

Note: the above figure is produced based on the following question: "Which of the following statements do you believe is the most significant way to stop or drastically limit climate change?"

7. Conclusion and Policy Recommendations

The report summarizes important insights about the national climate change policymaking context in five countries – Albania, Armenia, Georgia, Kyrgyz Republic, Tajikistan – to identify both challenges and opportunities to achieving sufficient consensus for action and reform. While the results are presented for those five countries, the report will have very important insights for policymakers in all countries. As impacts of climate change have been rising, support of stakeholders and their understanding of climate change is key in driving the collective action that is necessary to tackle climate change. The report presents that both public and business leaders believe climate change is real. A significant share of people agree that climate change is going to seriously affect them or their children. However, the climate change is still not considered as a priority area for additional government spending compared to health, education, jobs and supporting the poor households.

The results show that there could be several explanations for low prioritization of climate policies and investments. First, knowledge about climate policies by both public and business leaders is subpar. While a significant share of respondents agrees that committing to net zero emissions is important, they think that their countries lag behind the rest of the world. Second, a substantial share of public supports economic growth over environmental agenda, likely holding misconception about the relationship between them. Recent evidence shows that investments to tackle climate change results in substantial net economic returns and have positive effects on job creation. Third, respondents believe that the funds for climate change are likely to be misused by both policymakers and businesses, indicating low trust between the governments, private sector and public. Lastly, respondents think that rich countries, businesses and industries and rich households should have higher responsibility to contribute to policies to tackle climate change. While this may be justified from the fairness and equity perspective, it could also signal that the rest of stakeholders should not contribute or adjust their behavior to support climate actions.

On a positive side, climate policies can be devised to accommodate the concerns expressed by the constituents, like fears of losing jobs and minimizing adverse impacts on the poor and vulnerable groups. Overall, international evidence points out that spending on climate actions results in generating more jobs. However, governments have to be ready to scale-up active labor market programs and safety nets to ease the transit to growing green jobs for individuals occupied in carbon intensive sectors. In addition, the bulk of adaption investments is expected to be spend on retrofitting and building climate-resilient infrastructure, including healthcare and education - two areas the public perceive as priorities for additional government spending.

The report concludes that public perceptions and opinion on climate change can drive policy, influence policy discussions and encourage individual and collective action that can contribute to successful implementation of climate policies. The policy recommendations of the report are as follows:

1. **Increase the awareness of climate change and its implications.** Lack of information about the implications of climate change could place individuals and businesses at a disadvantage, as they might not recognize the necessity of adopting climate policies. LITS data reveals that one-third of respondents still does not believe climate change is real and it is man-made. Closing this gap through education and awareness campaigns is crucial for fostering a proactive approach to climate policies.

2. **Communicate the goals and benefits of the climate change policies to public.** Both the findings of this report and international evidence suggest that public support for costly climate policies increases if people understand who and how are expected to benefit from them. Furthermore, governments are encouraged to articulate the progress achieved in implementing climate policies in neighboring countries as people are more likely to support adoption of similar policies. This approach can increase public buy-in and support for adopting similar strategies.
3. **Promote behavioral change and create incentives to increase contribution of public and businesses into climate policies.** Communication campaigns may demonstrate how changes in some basic and small activities at individual level could bring about positive effects with respect to green and sustainable development. More than half of the respondents acknowledge that they were not doing enough to address climate change, which is also likely due to the lack of knowledge on this subject. However, green transition will also require implementing pricing reforms to eliminate existing market disincentives. This includes phasing out energy subsidies, that are considered one of the biggest impediments for decarbonization, and introducing carbon pricing, which further addresses fossil fuel externalities not reflected in market prices. Both actions create fiscal space that could be directed to alleviate potential adverse effects of the climate reforms.
4. **Address distributional concerns expressed by public.** There is an expectation from the public that the burden of financing climate action should not affect the poor and a hope that green transition does not derail economic growth. Thus, carbon pricing could be more supported if recycling of the carbon taxes included extending adaptive safety nets and implementing active labor market policies to minimize job losses and help people transit to new green jobs.
5. **Clearly explain how climate change funds are invested.** People tend to support the activities that are visible or well understood by them, which may not be the case when it comes to investments to counter climate change. Therefore, showing how exactly the climate change funds are allocated and invested may be essential to garner addition public support for climate action.

8. Country Profiles

8.1 Albania

Climate change awareness is relatively high in Albania, with 70 percent of the respondents believing climate change is real and two-thirds of the respondents reporting climate change is man-made. Similarly, a majority of people believe that the climate change is going to seriously affect them and their children in their lifetime, 85 percent and 93 percent, respectively.

However, when asked about choosing between protecting the environment and economic growth, higher share of respondents indicated that economic growth (49 percent) is more important compared to protecting the environment (40 percent) and 11 percent of respondents reported neither of them was important. This is a pattern that is not observed in other countries where majority of people opted for protecting the environment.

Around 45 percent of respondents indicated that they would be financially contributing to climate change investments, a share that increased since 2010 (25 percent). However, no respondents indicated that it is a priority area for additional government spending compared to health, education, pensions, creating jobs and assisting the poor.

Awareness of climate change policies is low among public and business leaders, 26 percent and 31 percent, respectively. While 78 percent of individuals agree that committing to net zero carbon emissions is important, only less than a half of the business leaders agree with the statement (the lowest rate among five countries). At the same time, roughly a quarter of individuals and business leaders believe that Albania is on track to reach carbon emission targets.

A majority of respondents (92 percent) think that high-income countries are responsible for paying the cost of climate investments, followed by businesses and industry (84 percent) and high-income people living in Albania (78 percent). At the same time, 67 percent of the public believe that middle-income countries have responsibility to fund climate investments and only 43 percent do so when it comes to the middle class in Albania.

Fifty seven percent of the respondents say that the international community do enough to cope with climate change. However, only between 33 to 37 percent of the respondents report that their government, business and private sector, and their local community do enough to address climate change. Moreover, 40 percent of the respondents acknowledged that they are not doing enough to tackle climate change.

Almost a half of respondents considers that government regulations and public investment projects are the most important ways to address climate change. To the contrary, private investment projects are viewed in this way only by 4 percent of the public. One fifth of respondents think that technological improvements will be the key factor behind averting climate change.

Only 2 percent of business leaders and 7 percent of individuals believed that hypothetical extra taxes, collected and administered by their government to fight climate change, would be spent entirely on climate change. Three quarters of respondents think that less than the half or none of the funds are going to be spent on climate change.

	Albania		Average	
	Public	Business leaders	Public	Business leaders
Convinced that climate change is real	70	46	75	78
Convinced that climate change is man-made	63	78	61	90
Climate change does or will seriously affect you during your lifetime	85	52	78	66
Climate change does or will seriously affect children of today during their lifetime	93	76	87	89
How well informed do you feel about the government's policies to address climate change?	26	31	32	48
it is important to you that the government formally commits to reach net zero CE	78	49	79	87
believe the country is currently on track to reach its CE targets	27	25	51	45
Which statements comes closer to your own point of view?				
Protecting the environment should be given priority	41	22	51	49
Economic growth and creating jobs should be the top priority	48	56	29	26
Neither	11	21	20	25
Would you be willing to give part of your income or pay more taxes, if you were sure that the extra money was spent on each of the following?				
Education	63		66	
Health	72		69	
Jobs	62		58	
Pensions	66		61	
Climate change	45		46	
Which of these fields should be the first and second priorities for extra government spending?				
Education	22		25	
Health	33		30	
Jobs	14		13	
Pensions	13		9	
Climate change	0		1	
other	18		22	
How much responsibility, if any, do you think each of the following groups has for paying for the cost of these investments?				
High income countries	92	88	91	95
Middle income countries	67	59	75	82
Low-income countries	38	40	46	58
Businesses and industry	84	57	80	88
Individuals and consumers	52	45	58	79
High income people living in your country	78	50	71	85
The middle class in you country	43	41	45	68
The poor in your country	23	33	33	46
I believe ... is/are doing enough to address climate change				
the international community	57	19	73	39
my government	37	12	61	26
businesses and the private sector	32	12	52	20
my local community	33	11	51	19
I am personally	40	19	45	32
Which of the following statements do you believe is the most significant way to stop or drastically limit climate change?				
A radical change in our habits	20	31	18	16
Technological improvements	20	10	30	23
Massive public investment climate projects	24	28	12	20
Massive private investment climate projects	4	28	4	11
Government regulation	23	2	31	26
There is no climate change	8	0	6	4

Source: Authors' calculations using data from the Life in Transition IV survey.

Note: Average values are based on the data from Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan; population weights are used to produce averages.

8.2 Armenia

Climate change awareness is relatively high in Armenia, with 75 percent of the respondents believing climate change is real and 59 percent of the respondents reporting climate change is man-made. Similarly, most people believe that the climate change is going to seriously affect them and their children in their lifetime, 84 percent and 92 percent, respectively.

When asked about choosing between protecting the environment and economic growth, higher share of respondents indicated that protecting the environment (51 percent) is more important compared to economic growth (30 percent) and 20 percent of respondents reported neither of them was important.

Around 44 percent of respondents indicated that they would be financially contributing to climate change investments, a share that decreased since 2010 (55 percent). However, no respondents indicated that it is a priority area for additional government spending compared to health, education, pensions, creating jobs and assisting the poor.

Awareness of climate change policies is low among public and business leaders, 16 percent and 38 percent, respectively. Committing to net zero carbon emissions is important to 76 and 78 percent of individuals and the business leaders, respectively. At the same time, 44 percent of individuals and 28 percent of business leaders believe that Armenia is on track to reach carbon emission targets.

A majority of respondents (90 percent) think that high-income countries are responsible for paying the cost of climate investments, followed by businesses and industry (79 percent) and middle-income countries (69 percent). However, only 43 percent of respondents do so when it comes to the middle class in Armenia. At the same time, 64 percent of the public believe that high-income people living in Armenia have responsibility to fund climate investments.

Two thirds of the respondents say that the international community do enough to cope with climate change. However, only between 40 to 50 percent of the respondents report that their government, business and private sector, and their local community do enough to address climate change. Moreover, only 35 percent the respondents acknowledged that they are not doing enough to tackle climate change.

A half of respondents considers that government regulations and public investment projects are the most important ways to address climate change. To the contrary, private investment projects are viewed in this way only by 2 percent of the public. Roughly one quarter of respondents think that technological improvements will be the key factor behind averting climate change.

Only 9 percent of business leaders and 8 percent of individuals believed that hypothetical extra taxes, collected and administered by their government to fight climate change, would be spent entirely on climate change. Almost three quarters of respondents think that less than the half or none of the funds are going to be spent on climate change.

	Armenia		Average	
	Public	Business leaders	Public	Business leaders
Convinced that climate change is real	75	86	75	78
Convinced that climate change is man-made	60	92	61	90
Climate change does or will seriously affect you during your lifetime	84	62	78	66
Climate change does or will seriously affect children of today during their lifetime	92	77	87	89
How well informed do you feel about the government's policies to address climate change?	16	38	32	48
it is important to you that the government formally commits to reach net zero CE	76	78	79	87
believe the country is currently on track to reach its CE targets	44	28	51	45
Which statements comes closer to your own point of view?				
Protecting the environment should be given priority	51	17	51	49
Economic growth and creating jobs should be the top priority	30	79	29	26
Neither	19	3	20	25
Would you be willing to give part of your income or pay more taxes, if you were sure that the extra money was spent on each of the following?				
Education	70		66	
Health	72		69	
Jobs	62		58	
Pensions	62		61	
Climate change	44		46	
Which of these fields should be the first and second priorities for extra government spending?				
Education	31		25	
Health	34		30	
Jobs	13		13	
Pensions	5		9	
Climate change	0		1	
other	18		22	
How much responsibility, if any, do you think each of the following groups has for paying for the cost of these investments?				
High income countries	90	92	91	95
Middle income countries	69	71	75	82
Low-income countries	40	40	46	58
Businesses and industry	79	88	80	88
Individuals and consumers	52	65	58	79
High income people living in your country	64	89	71	85
The middle class in you country	43	56	45	68
The poor in your country	26	30	33	46
I believe ... is/are doing enough to address climate change				
the international community	66	39	73	39
my government	49	24	61	26
businesses and the private sector	40	31	52	20
my local community	41	23	51	19
I am personally	35	46	45	32
Which of the following statements do you believe is the most significant way to stop or drastically limit climate change?				
A radical change in our habits	14	34	18	16
Technological improvements	26	29	30	23
Massive public investment climate projects	9	17	12	20
Massive private investment climate projects	2	4	4	11
Government regulation	41	12	31	26
There is no climate change	8	4	6	4

Source: Authors' calculations using data from the Life in Transition IV survey.

Note: Average values are based on the data from Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan; population weights are used to produce averages.

8.3 Georgia

Climate change awareness is relatively high in Georgia, with 80 percent of the respondents believing climate change is real and 70 percent of the respondents reporting climate change is man-made. Similarly, most people believe that the climate change is going to seriously affect them and their children in their lifetime, 84 percent and 91 percent, respectively.

When asked about choosing between protecting the environment and economic growth, higher share of respondents indicated that protecting the environment (46 percent) is more important compared to economic growth (26 percent) and 28 percent of respondents reported neither of them was important.

Around 50 percent of respondents indicated that they would be financially contributing to climate change investments, a share that decreased since 2010 (60 percent). However, no respondents indicated that it is a priority area for additional government spending compared to health, education, pensions, creating jobs and assisting the poor.

Awareness of climate change policies is low among public and business leaders, 20 percent and 48 percent, respectively. Committing to net zero carbon emissions is important to 85 and 91 percent of individuals and the business leaders, respectively. At the same time, 50 percent of individuals and 42 percent of business leaders believe that Georgia is on track to reach carbon emission targets.

A majority of respondents (91 percent) think that high-income countries are responsible for paying the cost of climate investments, followed by businesses and industry (83 percent) and middle-income countries (78 percent). However, only 43 percent of respondents do so when it comes to the middle class in Georgia. At the same time, 74 percent of the public believe that high-income people living in Georgia have responsibility to fund climate investments.

Almost a half of the respondents say that the international community do enough to cope with climate change. However, only between 28 to 35 percent of the respondents report that their government, business and private sector, and their local community do enough to address climate change. In addition, 30 percent of the respondents acknowledged that they are not doing enough to tackle climate change.

More than one third of respondents considers that government regulations and public investment projects are the most important ways to address climate change. To the contrary, private investment projects are viewed in this way only by 3 percent of the public. Forty percent of respondents think that technological improvements will be the key factor behind averting climate change.

Only 6 percent of business leaders and 4 percent of individuals believed that hypothetical extra taxes, collected and administered by their government to fight climate change, would be spent entirely on climate change. More than three quarters of respondents think that less than the half or none of the funds are going to be spent on climate change.

	Georgia		Average	
	Public	Business leaders	Public	Business leaders
Convinced that climate change is real	81	95	75	78
Convinced that climate change is man-made	69	94	61	90
Climate change does or will seriously affect you during your lifetime	84	63	78	66
Climate change does or will seriously affect children of today during their lifetime	91	90	87	89
How well informed do you feel about the government's policies to address climate change?	20	48	32	48
it is important to you that the government formally commits to reach net zero CE	85	91	79	87
believe the country is currently on track to reach its CE targets	50	42	51	45
Which statements comes closer to your own point of view?				
Protecting the environment should be given priority	43	50	51	49
Economic growth and creating jobs should be the top priority	28	19	29	26
Neither	28	31	20	25
Would you be willing to give part of your income or pay more taxes, if you were sure that the extra money was spent on each of the following?				
Education	68		66	
Health	70		69	
Jobs	57		58	
Pensions	62		61	
Climate change	50		46	
Which of these fields should be the first and second priorities for extra government spending?				
Education	24		25	
Health	30		30	
Jobs	14		13	
Pensions	9		9	
Climate change	1		1	
other	22		22	
How much responsibility, if any, do you think each of the following groups has for paying for the cost of these investments?				
High income countries	91	99	91	95
Middle income countries	78	88	75	82
Low-income countries	47	63	46	58
Businesses and industry	83	94	80	88
Individuals and consumers	62	85	58	79
High income people living in your country	74	91	71	85
The middle class in you country	43	74	45	68
The poor in your country	32	48	33	46
I believe ... is/are doing enough to address climate change				
the international community	47	33	73	39
my government	35	16	61	26
businesses and the private sector	28	10	52	20
my local community	28	9	51	19
I am personally	30	23	45	32
Which of the following statements do you believe is the most significant way to stop or drastically limit climate change?				
A radical change in our habits	19	32	18	16
Technological improvements	40	27	30	23
Massive public investment climate projects	10	12	12	20
Massive private investment climate projects	3	5	4	11
Government regulation	25	25	31	26
There is no climate change	3	0	6	4

Source: Authors' calculations using data from the Life in Transition IV survey.

Note: Average values are based on the data from Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan; population weights are used to produce averages.

8.4 Kyrgyz Republic

Climate change awareness is relatively high in Kyrgyz Republic, with 78 percent of the respondents believing climate change is real and 62 percent of the respondents reporting climate change is man-made. Similarly, most people believe that the climate change is going to seriously affect them and their children in their lifetime, 79 percent and 89 percent, respectively.

When asked about choosing between protecting the environment and economic growth, higher share of respondents indicated that protecting the environment (59 percent) is more important compared to economic growth (28 percent) and 14 percent of respondents reported neither of them was important.

Around 44 percent of respondents indicated that they would be financially contributing to climate change investments, a share that increased since 2010 (13 percent). However, no respondents indicated that it is a priority area for additional government spending compared to health, education, pensions, creating jobs and assisting the poor.

Awareness of climate change policies is low among public and business leaders, 34 percent and 40 percent, respectively. Committing to net zero carbon emissions is important to 82 and 87 percent of individuals and the business leaders, respectively. At the same time, 47 percent of individuals and 29 percent of business leaders believe that Kyrgyz Republic is on track to reach carbon emission targets.

A majority of respondents (89 percent) think that high-income countries are responsible for paying the cost of climate investments, followed by businesses and industry (79 percent). High-income people living in Kyrgyz Republic (76 percent) and middle-income countries (76 percent) have responsibility to fund climate investments according to the public. However, only 56 percent of respondents do so when it comes to the middle class in Kyrgyz Republic.

More than two third of the respondents say that the international community do enough to cope with climate change. However, only between 42 to 54 percent of the respondents report that their government, business and private sector, and their local community do enough to address climate change. Moreover, only 40 percent of the respondents acknowledged that they are not doing enough to tackle climate change.

Forty two percent of respondents considers that government regulations and public investment projects are the most important ways to address climate change. To the contrary, private investment projects are viewed in this way only by 8 percent of the public. More than a quarter of respondents think that technological improvements will be the key factor behind averting climate change.

Only 7 percent of business leaders and 9 percent of individuals believed that hypothetical extra taxes, collected and administered by their government to fight climate change, would be spent entirely on climate change. Sixty five percent of respondents think that less than the half or none of the funds are going to be spent on climate change.

	Kyrgyz Republic		Average	
	Public	Business leaders	Public	Business leaders
Convinced that climate change is real	78	82	75	78
Convinced that climate change is man-made	60	91	61	90
Climate change does or will seriously affect you during your lifetime	79	78	78	66
Climate change does or will seriously affect children of today during their lifetime	89		87	89
How well informed do you feel about the government's policies to address climate change?	34	40	32	48
it is important to you that the government formally commits to reach net zero CE	82	87	79	87
believe the country is currently on track to reach its CE targets	47	29	51	45
Which statements comes closer to your own point of view?				
Protecting the environment should be given priority	62	57	51	49
Economic growth and creating jobs should be the top priority	26	41	29	26
Neither	13	2	20	25
Would you be willing to give part of your income or pay more taxes, if you were sure that the extra money was spent on each of the following?				
Education	60		66	
Health	59		69	
Jobs	52		58	
Pensions	56		61	
Climate change	44		46	
Which of these fields should be the first and second priorities for extra government spending?				
Education	24		25	
Health	22		30	
Jobs	15		13	
Pensions	9		9	
Climate change	2		1	
other	28		22	
How much responsibility, if any, do you think each of the following groups has for paying for the cost of these investments?				
High income countries	89	79	91	95
Middle income countries	76	60	75	82
Low-income countries	56	46	46	58
Businesses and industry	79	75	80	88
Individuals and consumers	65	65	58	79
High income people living in your country	77	69	71	85
The middle class in you country	56	61	45	68
The poor in your country	44	49	33	46
I believe ... is/are doing enough to address climate change				
the international community	69	40	73	39
my government	54	25	61	26
businesses and the private sector	42	22	52	20
my local community	46	22	51	19
I am personally	40	43	45	32
Which of the following statements do you believe is the most significant way to stop or drastically limit climate change?				
A radical change in our habits	18	16	18	16
Technological improvements	27	23	30	23
Massive public investment climate projects	15	17	12	20
Massive private investment climate projects	8	10	4	11
Government regulation	28	32	31	26
There is no climate change	5	2	6	4

Source: Authors' calculations using data from the Life in Transition IV survey.

Note: Average values are based on the data from Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan; population weights are used to produce averages.

8.5 Tajikistan

Climate change awareness is relatively high in Tajikistan, with 68 percent of the respondents believing climate change is real, but only a half of respondents reporting climate change is man-made. Similarly, most people believe that the climate change is going to seriously affect them and their children in their lifetime, 69 percent and 77 percent, respectively.

When asked about choosing between protecting the environment and economic growth, higher share of respondents indicated that protecting the environment (55 percent) is more important compared to economic growth (22 percent) and 23 percent of respondents reported neither of them was important.

Around 45 percent of respondents indicated that they would be financially contributing to climate change investments, a share that increased since 2010 (38 percent). However, no respondents indicated that it is a priority area for additional government spending compared to health, education, pensions, creating jobs and assisting the poor.

Awareness of climate change policies is low among public and business leaders, 47 percent and 63 percent, respectively. Committing to net zero carbon emissions is important to 77 and 85 percent of individuals and the business leaders, respectively. At the same time, 71 percent of individuals and 80 percent of business leaders believe that Tajikistan is on track to reach carbon emission targets.

A majority of respondents (94 percent) think that high-income countries are responsible for paying the cost of climate investments, followed by middle-income countries and businesses and industry (78 percent both). However, only 40 percent of respondents do so when it comes to the middle class in Tajikistan. At the same time, only 65 percent of the public believe that high-income people living in Tajikistan have responsibility to fund climate investments.

Almost all respondents (97 percent) say that the international community do enough to cope with climate change, closely followed by the government (91 percent). Between 81 to 83 percent of the respondents report that the private sector and their local community do enough to address climate change. However, two third of respondents acknowledged that they are not doing enough to tackle climate change.

One third of respondents considers that government regulations and public investment projects are the most important ways to address climate change. To the contrary, private investment projects are viewed in this way by 13 percent of the public. Roughly one fifth of respondents think that technological improvements will be the key factor behind averting climate change.

Only 31 percent of business leaders and 12 percent of individuals believed that hypothetical extra taxes, collected and administered by their government to fight climate change, would be spent entirely on climate change. More than a half of respondents think that less than the half or none of the funds are going to be spent on climate change.

	Tajikistan		Average	
	Public	Business leaders	Public	Business leaders
Convinced that climate change is real	71	81	75	78
Convinced that climate change is man-made	52	87	61	90
Climate change does or will seriously affect you during your lifetime	69	80	78	66
Climate change does or will seriously affect children of today during their lifetime	77		87	89
How well informed do you feel about the government's policies to address climate change?	47	63	32	48
it is important to you that the government formally commits to reach net zero CE	77	85	79	87
believe the country is currently on track to reach its CE targets	71	80	51	45
Which statements comes closer to your own point of view?				
Protecting the environment should be given priority	53	50	51	49
Economic growth and creating jobs should be the top priority	21	42	29	26
Neither	26	8	20	25
Would you be willing to give part of your income or pay more taxes, if you were sure that the extra money was spent on each of the following?				
Education	69		66	
Health	71		69	
Jobs	57		58	
Pensions	58		61	
Climate change	51		46	
Which of these fields should be the first and second priorities for extra government spending?				
Education	26		25	
Health	32		30	
Jobs	9		13	
Pensions	7		9	
Climate change	1		1	
other	25		22	
How much responsibility, if any, do you think each of the following groups has for paying for the cost of these investments?				
High income countries	94	85	91	95
Middle income countries	78	68	75	82
Low-income countries	42	38	46	58
Businesses and industry	78	76	80	88
Individuals and consumers	56	65	58	79
High income people living in your country	65	71	71	85
The middle class in you country	40	54	45	68
The poor in your country	33	36	33	46
I believe ... is/are doing enough to address climate change				
the international community	97	84	73	39
my government	91	92	61	26
businesses and the private sector	83	76	52	20
my local community	81	81	51	19
I am personally	66	83	45	32
Which of the following statements do you believe is the most significant way to stop or drastically limit climate change?				
A radical change in our habits	20	14	18	16
Technological improvements	21	23	30	23
Massive public investment climate projects	14	22	12	20
Massive private investment climate projects	13	11	4	11
Government regulation	20	25	31	26
There is no climate change	12	6	6	4

Source: Authors' calculations using data from the Life in Transition IV survey.

Note: Average values are based on the data from Albania, Armenia, Georgia, Kyrgyz Republic and Tajikistan; population weights are used to produce averages.