



# NOTA DI LAVORO

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**Institutions and the Environment:  
Existing Evidence and Future  
Directions**

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# Climate Change: Economic Impacts and Adaptation

## Series Editor: Francesco Bosello

### Institutions and the Environment: Existing Evidence and Future Directions

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#### Summary

In this review we synthesize the existing contributions that use econometric approaches to examine the influence of institutions and governance on environmental policy, environmental outcomes, and investments. The paper describes how the relationship between institutions and various response variables related to environmental performance and environmental policy have been conceptualized and operationalized in the literature, and it summarizes the main findings. The second part of the paper outlines avenues for future research in the specific context of energy and climate change. We identify various opportunities for empirical work that have recently emerged with the growing availability of data in the field of green investments, climate, and energy policy. Expanding the current empirical literature towards these research topics is of scientific and policy relevance, and can provide important insights on the broader field of sustainability transition and sustainable development.

**Keywords:** Institutions, Environmental Performance, Environmental Policy, Investments

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