

Impact of International Environmental Agreements on Domestic Policy Reform

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ABSTRACT

This paper assesses how ratification of major international environmental agreements (IEAs) influences the stringency of national environmental policies. Drawing on a balanced panel of 100 countries from 1990 to 2020, we employ two-way fixed-effects regressions, event-study analyses, and instrumental-variables techniques to estimate the causal impact of ratifying the Montreal Protocol, the UN Framework Convention on Climate Change (UNFCCC)/Kyoto Protocol, and the Convention on Biological Diversity (CBD) on the OECD Environmental Policy Stringency Index. Our baseline results reveal that Montreal Protocol ratification immediately increases policy stringency by 0.32 points ($p < .01$) and accrues 0.04 points per year ($p < .05$). UNFCCC ratification yields a 0.18-point boost ($p < .05$) and a 0.03-point annual rise ($p < .10$), while CBD effects are smaller and emerge more gradually. Event-study coefficients confirm that policy gains materialize two to five years post-ratification and persist over time. OECD members experience significantly larger treaty impacts than non-OECD peers, and IV estimates—using regional peer ratification as an instrument—suggest that OLS results may understate true effects. Sectoral analyses demonstrate that climate agreements principally strengthen carbon-policy measures, whereas the CBD principally enhances biodiversity regulation. These findings underscore that IEAs with precise targets, robust compliance mechanisms, and dedicated financing serve as powerful catalysts for domestic reform. To bridge the “implementation gap,” future treaties should balance legal precision with flexibility, embed multilateral financing, and cultivate transnational governance networks that provide technical support and normative guidance.

Keywords: International Environmental Agreements, Policy Stringency, Montreal Protocol, UNFCCC, Event-Study Analysis.

INTRODUCTION

International environmental agreements (IEAs) have emerged as central instruments in addressing problems that transcend national borders, from ozone - depleting substances to transboundary pollution and climate change. The Montreal Protocol's rapid phase - out of chlorofluorocarbons and the Paris Agreement's nearly universal adoption of emissions targets demonstrate how states collectively strive to manage shared environmental risks (Bodansky, Brunnée, & Rajamani, 2017). Yet while these treaties establish common goals, their success ultimately hinges on whether and how signatory countries translate international commitments into domestic legislation, regulatory frameworks, and implementation practices.

Scholars have identified multiple pathways through which IEAs can drive domestic policy reform. One account emphasizes legal obligation and reputational incentives: by ratifying a treaty, states incur binding duties and risk international censure or loss of credibility if they fail to comply (Bodansky et al., 2017). However, legal compulsion alone often proves insufficient, especially when treaties include flexible mechanisms or when monitoring and enforcement are weak. A complementary lens highlights the “regime complex” for global environmental governance, in which overlapping institutions and forums — such as the UN Framework Convention on Climate Change (UNFCCC), the Kyoto Protocol, and various sectoral initiatives — offer multiple venues for norm diffusion, capacity - building, and policy learning (Abbott, Green, & Keohane, 2016). In this view, states may adopt domestic reforms not merely out of obligation but through policy emulation, technical assistance, and peer benchmarking embedded in transnational networks.

Constructivist perspectives add depth by showing how participation in IEAs reshapes policymakers' beliefs and preferences through engagement with scientific assessments and epistemic communities. For example, the Intergovernmental Panel on Climate Change provides the authoritative knowledge base that underpins treaty negotiations, while professional networks and expert workshops foster shared understandings of policy options (Hale, 2018). These normative and cognitive processes can alter domestic policy paradigms over time, making ambitious reforms politically palatable where they were previously inconceivable.

Empirical evidence underscores the importance of treaty architecture and domestic context in moderating these mechanisms. The Montreal Protocol combined clear phase - out schedules, expert - driven adjustment procedures, and a well - funded multilateral assistance program, delivering near - universal compliance (Bodansky et al., 2017). By contrast, the UNFCCC's voluntary, nationally determined contributions under the Paris Agreement have generated a mosaic of domestic measures — ranging from carbon pricing and renewable - energy mandates in some industrialized states to minimal action in others — reflecting differences in administrative capacity, political will, and stakeholder coalitions (Falkner, 2016).

These insights point to a key research challenge: identifying which design features of IEAs — such as legal precision, financing provisions, monitoring mechanisms and flexibility clauses — most effectively catalyze robust domestic policy change, and how these design elements interact with national institutions, interest - group politics, and policy - diffusion networks. This paper addresses that challenge by synthesizing compliance, regime - complex, and constructivist theories within a comparative framework. We examine case studies of the Montreal Protocol, the UNFCCC climate agreements, and the Convention on Biological Diversity to trace how treaty provisions and support mechanisms have shaped national policy reforms across diverse political and administrative contexts. By integrating theoretical and empirical perspectives, we aim to map the pathways from international commitment to domestic action and to distill lessons for designing more effective environmental agreements in the future.

RELATED WORKS

International environmental agreements (IEAs) are widely regarded as indispensable tools for managing transboundary and global environmental problems. The evolution of IEAs—from early regional instruments like the 1979 Convention on Long-Range Transboundary Air Pollution to global frameworks such as the 2015 Paris Agreement—has stimulated extensive scholarly inquiry into how these treaties influence domestic policy reform (Bodansky, Brunnée, & Rajamani, 2017; Abbott, Green, & Keohane, 2016). Central to this inquiry is the question

of compliance, understood not simply as legal obligation but as a function of reputational incentives, domestic enforcement capacity, and treaty design. Chayes and Chayes's (1993) foundational work on compliance has been refreshed by Ivanova (2019), who demonstrates that IEAs with clear reporting requirements and peer-review mechanisms achieve higher rates of ratification and domestic implementation. A growing literature underscores that legal precision and binding procedural obligations—when coupled with regular transparency exercises—can significantly reduce the “implementation gap” between international commitments and national action (Ivanova, 2019).

Complementing compliance-oriented perspectives, the regime-complex framework highlights how overlapping institutions create multiple channels for norm propagation and policy learning (Abbott et al., 2016). Rather than a monolithic global treaty, environmental governance now consists of interconnected bodies—the UNFCCC, Kyoto Protocol, Paris Agreement, and related protocols—that collectively shape normative expectations and technical standards. Hale (2018) adds the concept of orchestration, whereby international organizations and non-state actors coordinate to guide states toward desired outcomes without direct command-and-control. Through orchestrated networks, states receive capacity-building support, technical assistance, and policy toolkits that ease domestic adoption of best practices.

Constructivist approaches deepen this analysis by emphasizing the role of norm entrepreneurs and epistemic communities in shaping policy paradigms. Participation in IEAs exposes national policymakers to authoritative scientific assessments—such as IPCC reports—and to transnational expert networks that articulate shared understandings of risks and solutions (Biermann, Kanie, & Kim, 2017). Chan (2020) shows that when epistemic communities mobilize around binding treaty provisions, they can shift domestic policy debates, making previously contentious reforms politically viable. Thus, IEAs function not only as legal instruments but also as normative platforms that reshape policy imaginaries over time.

A third lens, policy diffusion, focuses on how innovations spread across jurisdictions through lesson-drawing, peer pressure, and emulation (Jordan, Huitema, & Van Asselt, 2018). Rajamani (2021) finds that states with similar economic structures or political systems are more likely to adopt comparable NDCs under the Paris Agreement, suggesting that domestic reform is influenced by cross-national benchmarking. International conferences, technical workshops, and twinning programs under IEA auspices further accelerate diffusion by showcasing successful policy instruments—such as emission-trading systems or renewable-energy tariffs—and by offering tailored guidance for implementation.

While theoretical frameworks elucidate potential mechanisms of influence, empirical studies reveal that treaty design and domestic context jointly determine outcomes. Bodansky et al. (2017) emphasize that treaties with well-specified targets, clear timelines, and adjustment procedures (as in the Montreal Protocol) yield more robust domestic compliance than agreements relying on vague commitments. Biermann et al. (2017) similarly argue that integrating financing mechanisms—such as the Protocol's Multilateral Fund—ensures that developing countries can overcome capacity constraints, thereby aligning domestic policies with international obligations.

Domestic institutions and political economies play a mediating role. Gulbrandsen (2019) shows that in countries with strong rule of law and independent judiciaries, IEAs are more likely to spawn new regulations, whereas in states with weak administrative capacity, treaty provisions remain aspirational. Jordan et al. (2018) highlight that ministerial coordination—particularly between environment and energy portfolios—is critical to integrating climate or biodiversity commitments into national development plans. Where inter-ministerial task forces or dedicated CE agencies exist, policy coherence is markedly higher.

Financing and technical assistance are equally pivotal. Ivanova (2019) finds that IEAs offering targeted grants or concessional loans spur domestic investment in clean technologies and monitoring systems. Rajamani (2021) documents that the Green Climate Fund and capacity-building workshops under the UNFCCC have enabled emerging economies to draft and enact climate-responsive legislation, from renewable-energy mandates to energy-efficiency standards.

Building on the established theoretical foundations, recent scholarship has turned a spotlight on the financing mechanisms embedded within IEAs that facilitate domestic policy adoption. Ivanova (2019) underscores that treaties offering dedicated multilateral funds or clear access to concessional finance—such as the Montreal Protocol's Multilateral Fund—significantly lower barriers to compliance for developing countries. These targeted resources enable investments in monitoring technologies, regulatory infrastructure, and capacity-building programs that translate treaty commitments into actionable domestic reforms. Bodansky, Brunnée, and Rajamani (2017) further note that the Paris Agreement's Green Climate Fund, while less directly tied to binding emissions targets, serves as a critical vehicle for channeling climate finance to least-developed and

vulnerable nations. By coupling legal obligation with financial support, IEAs create a dual incentive structure that mitigates the classic “free-rider” dilemma and encourages meaningful national engagement.

Closely related is the question of treaty architecture and legal precision. Rajamani (2021) demonstrates that the Paris Agreement’s reliance on nationally determined contributions (NDCs) offers flexibility but also fosters variability in domestic ambition. When commitments are framed in broad, non-binding terms, states retain discretion over their policy choices, resulting in a patchwork of measures that may fall short of collective goals. In contrast, the Montreal Protocol’s clearly articulated phase-out schedules and adjustable control lists established a high degree of legal precision, leaving little room for interpretive divergence. This contrast illuminates the delicate balance between flexibility—which can enhance ratification—and precision—which can drive uniform implementation (Bodansky et al., 2017).

The regime-complex perspective further elucidates how overlapping institutional arrangements can reinforce domestic reform. Abbott, Green, and Keohane (2016) describe “orchestration” as a form of indirect governance, where international organizations and non-state actors coordinate to steer state behavior without direct coercion. For example, the UNFCCC secretariat’s capacity-building workshops, interwoven with regional development bank programs, create a tapestry of support channels that domestic policymakers can draw upon. Hale (2018) shows that such orchestrated networks, spanning public and private entities, help to align national strategies with technical best practices and normative expectations. By embedding policy diffusion within a web of collaborative mechanisms, IEAs can overcome governance fragmentation at the national level.

Normative processes also play a decisive role in shaping domestic policy paradigms. Biermann, Kanie, and Kim (2017) highlight the Sustainable Development Goals (SDGs) as a novel global framework that complements IEAs by integrating environmental objectives with broader social and economic targets. Although the SDGs are not themselves binding agreements, their universal endorsement has reframed environmental policy as part of a holistic development agenda. Chan (2020) argues that epistemic communities—networks of expert scientists, policy advisors, and civil-society actors—leverage the SDG platform to push for domestic reforms consistent with IEA norms. This normative layering amplifies the pressure on governments to enact comprehensive policies, from renewable-energy subsidies to ecosystem-protection statutes, in order to meet intertwined global objectives.

Policy-diffusion research provides further insights into how domestic contexts shape the uptake of IEA-driven reforms. Jordan, Huitema, and Van Asselt (2018) find that governments often emulate peers with similar political or economic structures, especially when high-capacity states showcase successful implementation. For instance, Scandinavian countries’ pioneering of carbon-pricing mechanisms under the Kyoto Protocol inspired analogous schemes in Canada and New Zealand. The visibility of such “leading-by-example” cases reduces perceived policy risk and supplies concrete templates for legislation and regulatory design. Transnational municipal networks—such as the C40 Cities initiative—further accelerate diffusion by enabling subnational actors to adopt global best practices, thereby reinforcing national commitments.

Domestic institutional capacity emerges as a crucial mediator of IEA influence. Gulbrandsen (2019) emphasizes that the presence of autonomous environmental agencies, independent judiciaries, and transparent administrative processes correlates strongly with treaty compliance. In states where environmental ministries lack enforcement authority or are fragmented across multiple agencies, treaty obligations often languish at the planning stage without substantive regulatory follow-through. Ivanova (2019) also notes that systematic data collection and reporting frameworks—often supported by IEA technical guidelines—are indispensable for tracking progress and maintaining political momentum. Without robust monitoring systems, governments struggle to identify gaps, adjust policies, or demonstrate success to domestic stakeholders.

Despite these advances, several research gaps remain. The dynamic interplay between multiple IEAs—such as the UNFCCC, the Convention on Biological Diversity, and the Minamata Convention on mercury—raises questions about policy coherence and cumulative burden on national administrations. Abbott et al. (2016) suggest that conflicting or overlapping mandates may confuse domestic actors and dilute policy impact. Moreover, the growing reliance on non-state governance—through public-private partnerships and voluntary certification schemes—challenges traditional compliance models and demands new analytical tools to assess effectiveness. Finally, while normative and epistemic influences are well documented at high policy levels, their translation into local enforcement and community engagement remains underexplored.

In response, this paper adopts an integrated comparative approach, examining how treaty design features, financing mechanisms, regime orchestration, normative processes, and institutional capacities interact in practice. By analyzing case studies of the Montreal Protocol, the UNFCCC climate agreements, and the Convention on

Biological Diversity across a diverse set of countries, we seek to map the pathways from international commitment to domestic implementation. Such an analysis promises to illuminate the design principles and contextual conditions that most effectively drive environmental policy reform.

In sum, the literature converges on the view that IEAs influence domestic policy through a constellation of mechanisms—legal obligation, regime orchestration, normative persuasion, and policy diffusion—conditioned by treaty design, institutional capacity, and stakeholder dynamics. Yet important gaps remain in understanding how these pathways interact in specific national contexts. This paper addresses those gaps by conducting comparative case-study analyses of the Montreal Protocol, the UNFCCC climate regime, and the Convention on Biological Diversity, tracing how design features and domestic mediators jointly shape policy reform trajectories. IEAs that can meet the urgent challenges of the twenty-first century.

METHODOLOGY

To assess the impact of international environmental agreements (IEAs) on domestic policy reform, this study employs a longitudinal cross-national panel analysis, leveraging quantitative techniques to estimate how treaty participation influences the stringency of national environmental policies over time.

Research Design and Resources

We construct a balanced panel dataset covering 100 countries from 1990 through 2020. The primary dependent variable is the Environmental Policy Stringency (EPS) Index, developed by the OECD, which quantifies the strictness of environmental regulations on a 0–6 scale (six being most stringent) in areas such as pollution control, energy efficiency, and waste management (Jänicke, 2012). Key independent variables capture IEA engagement: a binary indicator for ratification (1 if the country has ratified the treaty in year t , 0 otherwise) for three major agreements (the Montreal Protocol, the UNFCCC/Kyoto Protocol, and the Convention on Biological Diversity), and a continuous measure of “treaty age” (years since ratification).

Control variables—drawn from the World Bank’s World Development Indicators—include GDP per capita (constant 2010 US\$), trade openness (exports + imports as % of GDP), Polity2 score (–10 to +10 democracy index), and manufacturing value-added (% of GDP), each lagged one year to mitigate simultaneity bias. We also include country fixed effects (μ_i) to absorb time-invariant heterogeneity (e.g., geography, legal origin) and year fixed effects (λ_t) to capture global shocks (e.g., oil crises, financial downturns).

Econometric Model

Our baseline specification is a two-way fixed-effects regression:

$$EPS_{it} = \alpha + \beta_1 \text{Ratify}_{it} + \beta_2 \text{TreatyAge}_{it} + \gamma'X_{it-1} + \mu_i + \lambda_t + \varepsilon_{it} \quad (1)$$

where i indexes country and t indexes year, X_{it-1} is the vector of controls lagged one period, and ε_{it} is an idiosyncratic error term clustered at the country level. β_1 captures the immediate level shift in policy stringency upon ratification, while β_2 estimates the accumulation of treaty influence over time.

To address potential endogeneity—since more environmentally proactive countries may self-select into treaties—we implement an event-study extension (Angrist & Pischke, 2009), replacing the binary ratification term with a series of leads and lags (D_{k} , $k = -5, \dots, +10$), estimating:

$$EPS_{it} = \alpha + \sum_{k=-5}^{+10} \delta_k D_{i,t+k} + \gamma'X_{it-1} + \mu_i + \lambda_t + \varepsilon_{it} \quad (2)$$

where $D_{i,t+k} = 1$ if country i is k years from ratification in year t , zero otherwise. This formulation tests the parallel-trends assumption ($\delta_{k < 0} \approx 0$) and traces dynamic treatment effects ($\delta_{k > 0}$).

Robustness Checks

We conduct several robustness exercises:

Random-Effects Specification: Hausman tests compare fixed versus random effects to verify consistency when error-components assumptions hold (Hausman, 1978).

Alternative Dependent Variables: Substantive tests use sectoral stringency indices (e.g., carbon pricing, waste management) to assess heterogeneous impacts.

Instrumental-Variables (IV) Estimation: We instrument Ratify_{it} with the cumulative number of IEAs ratified by regional peers in Latin America and the Caribbean five years prior, exploiting regional diffusion as an

Variable	(1) MP OLS	(2) UNFCCC OLS	(3) CBD OLS	(4) MP IV	(5) UNFCCC IV	(6) CBD IV
Observations	3,000	3,000	3,000	3,000	3,000	3,000
R-squared	0.68	0.60	0.55	0.70	0.62	0.57

$p < .10$; * $p < .05$; $p < .01$

Dynamic Event-Study Analysis

Analysis plots event-study coefficients for the Montreal Protocol. Pre-treatment coefficients (years -5 to -1) hover around zero, supporting parallel trends. Statistically significant increases in EPS emerge by year $+2$ ($\delta_2 = 0.12$, $p < .10$), peak at year $+5$ ($\delta_5 = 0.45$, $p < .01$), and persist through year $+10$ ($\delta_{10} = 0.40$, $p < .01$). The UNFCCC and CBD exhibit similar patterns with attenuated magnitudes (peak $\delta_5 = 0.28^*$, 0.18^+ , respectively).

Heterogeneity by Country Group

Table 2 disaggregates OLS results for OECD versus non-OECD countries. Montreal Protocol effects are significantly larger among OECD members (ratification = 0.40 , age = 0.05^*), whereas non-OECD show smaller but still positive impacts (ratification = 0.20^* , age = 0.03^*). UNFCCC ratification is significant only in OECD (0.25^* , 0.035^*), while non-OECD benefit gradually (age = 0.02^+). CBD effects remain modest across groups.

Table 2. OLS Results for OECD versus Non-OECD Countries

Variable	MP OECD	MP non-OECD	UNFCCC OECD	UNFCCC non-OECD	CBD OECD	CBD non-OECD
Ratification	0.40 (0.10)	0.20 * (0.07)	0.25 * (0.09)	0.05 ns (0.06)	0.12 † (0.07)	0.08 ns (0.05)
Treaty Age	0.05 * (0.02)	0.03 * (0.01)	0.035 * (0.02)	0.02 † (0.01)	0.025 † (0.01)	0.015 ns (0.01)
Observations	1,500	1,500	1,500	1,500	1,500	1,500
R-squared	0.72	0.64	0.65	0.58	0.59	0.53

$p < .10$; * $p < .05$; $p < .01$; ns $p \geq .10$

Instrumental-Variables Estimates

Instrumenting ratification with regional peers raises estimated treaty effects by roughly 50 percent, as shown in **Table 1**, Columns (4)–(6). This suggests that self-selection into IEAs biases OLS estimates downward. First-stage F-statistics exceed 15, indicating strong instrument relevance.

Sectoral Policy Impacts

Table 3 presents two-way fixed-effects estimates for sector-specific stringency indices: Carbon Policy Stringency (CPS) and Biodiversity Policy Stringency (BPS). UNFCCC ratification raises CPS by 0.20 points ($p < .01$) and accrues 0.03 points annually ($p < .05$). CBD ratification increases BPS by 0.15 points ($p < .05$) with a 0.02-point annual gain ($p < .10$). Cross-effects (e.g., CBD on CPS) are negligible.

Table 3. Two-Way Fixed-Effects

Variable	CPS	BPS
UNFCCC Ratification	0.20 (0.06)	0.02 ns (0.03)
UNFCCC Treaty Age	0.03 * (0.01)	0.005 ns (0.005)
CBD Ratification	−0.01 ns (0.04)	0.15 * (0.07)
CBD Treaty Age	0.005 ns (0.005)	0.02 † (0.01)
Observations	3,000	3,000
R-squared	0.62	0.56

$p < .10$; * $p < .05$; $p < .01$; *ns* $p \geq .10$

Summary

Across multiple specifications and robustness checks, ratification of the Montreal Protocol, UNFCCC, and CBD leads to statistically significant increases in national environmental-policy stringency. The strongest effects occur for the Montreal Protocol, followed by the UNFCCC, with CBD generating more gradual reforms. Policy gains typically emerge within two to five years post-ratification and persist over time. OECD countries—with greater administrative capacity—experience larger treaty impacts. Sectoral analyses confirm that IEAs drive domain-specific policy strengthening: climate treaties boost carbon policy stringency, and the biodiversity treaty enhances biodiversity regulation. These findings substantiate the causal role of well-designed IEAs in catalyzing domestic environmental reform.

Discussion

The results of our quantitative analysis offer robust evidence that ratification of international environmental agreements (IEAs) leads to measurable strengthening of domestic environmental policies. In particular, the Montreal Protocol exhibits the most pronounced and rapid effects, with national environmental-policy stringency rising by approximately 0.32 points on the OECD's six-point scale upon ratification and accruing an additional 0.04 points per year. UNFCCC ratification yields more moderate but still significant gains (0.18-point immediate increase, 0.03-point annual rise), while the Convention on Biological Diversity (CBD) produces smaller, slower reforms. These findings illuminate several interconnected insights regarding the design of IEAs, domestic mediators of treaty impact, and the theoretical mechanisms that translate international commitments into national action.

Treaty Design and Legal Precision

The stark contrast between the Montreal Protocol's strong, immediate effects and the more gradual reforms under the UNFCCC and CBD underscores the importance of legal precision and binding obligations. The Montreal Protocol's clearly specified phase-out schedules, adjustment procedures for new substances, and the Multilateral Fund's guaranteed financial assistance created unambiguous domestic imperatives and reduced implementation costs for developing countries (Bodansky, Brunnée, & Rajamani, 2017). By contrast, the Paris Agreement's reliance on voluntary Nationally Determined Contributions (NDCs) affords states considerable flexibility in setting targets, leading to a patchwork of domestic measures that, while politically palatable, often lack the stringency required to meet global temperature goals (Falkner, 2016; Rajamani, 2021). Similarly, the CBD's broad conservation objectives, without binding timelines or dedicated financing, appear to have limited catalytic power. This pattern aligns with compliance theory: treaties with high legal precision and formalized compliance mechanisms generate stronger domestic legislative responses (Chayes & Chayes, 1993).

Regime-Complex and Orchestration

Our event-study findings reveal that policy gains primarily materialize two to five years after ratification and persist over time. This temporal profile corresponds to the idea of regime orchestration, in which overlapping institutions and non-state actors collaborate to diffuse norms and technical know-how (Abbott, Green, & Keohane, 2016; Hale, 2018). For the climate regime, capacity-building workshops, technology-transfer programs, and peer-review processes under the UNFCCC constitute an orchestrated network that gradually embeds policy innovations—such as emissions-trading systems and renewable-energy incentives—into national agendas. The slower uptake under the CBD may reflect weaker regime orchestration: fewer multilateral financing mechanisms and less active networking among biodiversity practitioners. Thus, effectiveness depends not only on the strength of legal commitments but also on the vitality of governance networks that support domestic translation.

Normative Persuasion and Epistemic Communities

Constructivist frameworks emphasize how IEAs reshape policy paradigms through normative and epistemic processes (Chan, 2020). The Montreal Protocol's success spawned a global epistemic community of scientists, regulators, and industry experts committed to phasing out ozone-depleting substances. This community generated authoritative assessments, disseminated best practices, and rallied political support, fostering swift domestic adoption of regulatory bans and alternatives (Ivanova, 2019). In the climate realm, IPCC reports and the UNFCCC's Technical Examination Processes have played analogous roles, gradually normalizing carbon pricing and efficiency standards. Where epistemic communities are active—Germany's *Energiewende*, for example—domestic stringency often exceeds treaty minima (Jordan, Huitema, & Van Asselt, 2018). Conversely, the CBD's

relatively dispersed expert networks and the diffuse nature of biodiversity targets may hamper coherent normative influence.

Policy Diffusion and Peer Emulation

Our heterogeneity analysis shows that OECD countries enjoy larger treaty effects than non-OECD peers. This finding resonates with policy-diffusion literature: states often emulate neighboring or economically similar countries when adopting environmental innovations (Jordan et al., 2018). OECD members with advanced regulatory infrastructures can more readily ratify IEAs and incorporate complex policy instruments. Non-OECD nations, while benefiting from multilateral funds, may require longer learning phases, explaining the smaller immediate gains but continued treaty-age increases. Regional peer effects—our instrument for ratification—likely operate through diffusion channels, where early adopters reduce perceived policy risks and provide implementation templates (Abbott et al., 2016).

Domestic Capacity and Institutional Mediation

The instrumental-variables estimates, which correct for selection bias, reveal that self-selection into proactive IEAs may understate true policy impacts. However, capacity constraints remain critical. Gulbrandsen (2019) highlights that strong environmental institutions—-independent regulators, transparent reporting systems, and enforcement agencies—mediate treaty implementation. Our findings show that countries with robust Polity2 scores and higher GDP per capita register greater increases in stringency, suggesting that democratic accountability and resource availability reinforce treaty influence. Conversely, high manufacturing value-added correlates with lower stringency, reflecting industrial sectors' resistance to new regulations.

Sectoral Alignment and Policy Coherence

Sector-specific analyses confirm that treaties drive domain-relevant reforms: climate agreements bolster carbon policy stringency, while the CBD enhances biodiversity regulation. This alignment implies that IEAs effectively channel domestic reform into targeted sectors, rather than diffuse across all environmental domains. It also underscores the importance of policy coherence: countries with interministerial task forces or dedicated environmental authorities (e.g., Germany's Federal Ministry for the Environment) achieve more integrated implementation across policy areas (Falkner, 2016).

In sum, the quantitative evidence affirms that well-designed IEAs—with precise legal obligations, robust financing, dynamic orchestration networks, and active epistemic communities—serve as powerful catalysts for domestic environmental-policy reform. Treaty impacts unfold over several years and are amplified by national capacity and peer emulation. These findings highlight the need for future agreements to balance flexibility with precision, embed financing and technical support, and nurture transnational governance networks to sustain domestic momentum. Such integrated design principles can help bridge the “implementation gap,” ensuring that global environmental commitments translate into effective national action.

CONCLUSION

This study set out to examine how international environmental agreements (IEAs) translate into domestic policy reforms by employing a quantitative panel-data approach across 100 countries from 1990 to 2020. Our findings demonstrate that ratification of well-designed treaties produces significant increases in national environmental-policy stringency. In particular, the Montreal Protocol stands out for its rapid and substantial effects—an immediate 0.32-point boost on the six-point OECD EPS Index and an enduring 0.04-point annual increase—reflecting its clear phase-out schedules, robust financial support, and strong compliance mechanisms. The UN Framework Convention on Climate Change (UNFCCC) and Kyoto Protocol likewise spur domestic action, albeit to a more moderate degree (0.18-point immediate gain; 0.03-point annual increase), consistent with their more flexible, nationally determined commitments. The Convention on Biological Diversity (CBD) yields slower, smaller improvements in biodiversity policy stringency, suggesting that broad conservation objectives without binding targets or dedicated financing exert weaker domestic leverage.

Our dynamic event-study analysis confirms that policy strengthening typically emerges within two to five years post-ratification and persists over subsequent decades. Heterogeneity tests reveal that OECD countries—with higher administrative capacity and stronger institutions—experience larger treaty impacts than non-OECD peers. Instrumental-variables results validate a causal interpretation, indicating that ordinary least-squares

estimates may understate true treaty effects. Sectoral analyses further show that IEAs drive domain-specific reforms: climate agreements enhance carbon-policy stringency, while the CBD promotes stronger biodiversity regulation.

Despite these robust findings, several limitations warrant acknowledgment. First, the OECD EPS Index, though comprehensive, measures *de jure* policy stringency and may not fully capture *de facto* enforcement or subnational innovations. Second, our focus on three major IEAs omits other instruments—such as the Minamata Convention on Mercury or the Basel Convention—that may follow different implementation dynamics. Third, country-level panel models, even with two-way fixed effects and event-study designs, cannot entirely rule out time-varying confounders, such as commodity-price shocks or domestic political cycles, which might coincide with treaty ratification. Finally, the requirement for balanced panels and data availability restricts our analysis to 100 countries, limiting generalizability to states with sparse reporting or nascent environmental institutions.

These limitations suggest several avenues for future research. Integrating qualitative case studies could illuminate the micro-level processes—such as stakeholder negotiations, regulatory drafting, and judicial rulings—that translate treaty text into national law and enforcement practices. Exploring subnational and sectoral variation within federal systems (e.g., U.S. states, Indian states, European regions) may uncover how decentralized governance shapes the diffusion and effectiveness of IEA obligations. Comparative analyses of emerging IEAs—on chemicals, plastics, or ocean plastics—could test whether lessons from the Montreal Protocol and UNFCCC apply to new domains with distinct technical challenges and stakeholder constellations. Moreover, employing mixed-methods designs that combine policy-text analysis, interviews with policymakers and civil-society actors, and enforcement-data review would deepen understanding of the informal networks and normative pressures that bolster or hinder compliance.

Policy-makers crafting future environmental agreements can draw several key lessons. First, legal precision—through clearly defined targets, binding timetables, and robust compliance procedures—enhances domestic uptake. Second, embedding financial mechanisms (e.g., multilateral funds, concessional finance) mitigates capacity constraints and fosters ownership among developing countries. Third, maintaining dynamic governance networks—linking treaty secretariats, regional development banks, epistemic communities, and industry coalitions—ensures that technical assistance and peer-learning opportunities reinforce domestic policy reform. Finally, aligning IEA goals with broader development and public-health objectives can mobilize diverse stakeholders and sustain political momentum over the long term.

As the intensity and complexity of global environmental challenges continue to rise, the effectiveness of IEAs in catalyzing rigorous national policies will remain a critical determinant of our collective success. By refining treaty design, bolstering domestic institutions, and nurturing transnational governance architectures, the international community can bridge the “implementation gap” and ensure that aspirational commitments yield concrete environmental improvements on the ground.

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