

## “Effects of climate change risk on accounting, finance, auditing and corporate governance” – Special issue

Special issue call for papers from *International Journal of Climate Change Strategies and Management*

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**409**

Climate change is a change in the pattern of weather, and related changes in oceans, land surfaces and ice sheets, occurring over time scales of decades or longer and has become a critical environmental narrative of the 21st century. The climate is no longer just the subject of meteorologists that this is also one of the critical risk factors for the business world, management science. Climate change risk (CCR) is one of the risks that should be considered by companies. Many international institutions such as the International Federation of Accountants, United Nations force business world and entrepreneurs to be accountable on CCR. Nowadays, millions follow companies’ “methods of doing business” to evaluate them as stakeholders, creditors, tax authorities, shareholders, customers and suppliers. Climate change is affecting how to do business today. The application of environmentally friendly “methods of doing business” that respect the climate change and nature and the explanation of this with sustainable reports attracts the attention of the stakeholders and the company is supported by shareholders and creditors.

In the special issue, we have focussed on the effects of climate change on finance, strategic management, decision-making and risk management. The goal of this special issue is to present new studies on these areas and to provide information to the business and academic world. We have interesting papers from Ethiopia, China, Turkey, Pakistan and Bangladesh and findings for OECD and Balkan countries. Some findings are as follows:

- (1) Article from Ethiopia examine the determinants of adaptation strategies to climate change among the smallholder farmers in Adama District. In Ethiopia, the majority of the smallholder farmers use at least one climate change adaptation strategy in their local areas through the strategy is generally weak.
- (2) In another article about Balkan countries, fixed-effects panel regression analysis is used to estimate the causal relationship between CO<sub>2</sub> emissions and logistic performances of Balkan countries. It is found that there is a positive and significant relationship between logistics performance and CO<sub>2</sub> performances of the sampled Balkan countries.
- (3) Article from the ecological environment of the Loess Plateau, China: This paper aimed to clarify the response mechanisms of vegetation to climate change, to provide support for the restoration and environmental treatment of vegetation on the Loess Plateau. This study provides technical support for ecological environmental assessment, restoration of regional vegetation coverage and environmental governance of the Loess Plateau over the past two decades.
- (4) Article about the dynamic behaviour of the relationship between atmospheric carbon emissions and OECD industrial production index (IPI): in the short and



long term by applying multi-fractal techniques. The major finding is that the Hurst coefficient is in the range of 0.40-0.75 indicates that the two variables can differ in the frequency domain, depending on their different minimum and maximum current values within the observed period.

- (5) Examine peoples' perception of climate change in Islamabad in Pakistan and Dhaka in Bangladesh: This study has found astringent to the international focus of community-based mitigation and adaptation as the studies population lacks basic knowledge, as well as financial resources to plan to protect themselves, which questions the role of the federal government in both the countries and other similar cases internationally.
- (6) An article about drought and water shortages are the hard constraints that restrict the sustainable development of agriculture in northwestern China: The purpose of this paper is to measure Farmer's adoption tendency towards drought shock, risk-taking networks and modern irrigation technology. The results show that the drought shock has a significantly deferent effect on the modern irrigation technology of the farmers.

From the six articles in our special issue, we understand that climate change is an unavoidable element in business decision-making and risk management. CCR scope should be included in the procedure of risk evaluation, budgeting, auditing and reporting by accountants, auditors, senior managers in public companies and also owners in small businesses.

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