

EU climate and energy policy: hope for more and better climate policy integration?

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In October 2009, the European Council of heads of state and government agreed to the long-term political objective of reducing the EU's emissions of greenhouse gases (GHGs) by between 80 and 95 per cent by 2050, compared to 1990 levels (European Council, 2009). Such an objective is in line with the suggestions of the Intergovernmental Panel on Climate Change as the effort required by developed countries to avoid catastrophic climate change (see IPCC, 2013). This objective effectively requires a dramatic transition in the EU's energy sector – away from fossil fuels and towards low-carbon or zero-GHG emitting energy sources (European Commission, 2011).

In this paper, I highlight three main conclusions from my PhD research project that examined the extent to which the 2050 climate policy objective is integrated into EU energy policy (entitled “Climate policy integration into EU energy policy”). EU policymakers may wish to consider the ramifications of these conclusions in the elaboration of legislation on the climate and energy policy framework to 2030, and beyond.

The three main conclusions are as follows:

1. The EU engages in continuous “*catch-up governance*”, as the low ambition and poor implementation of past policy measures mean that future measures have less time in which to achieve climate goals.
2. EU policymakers *cannot rely on external stakeholders* to push for more policy ambition, especially when internal EU legislators emphasise other priorities and consider these priorities in opposition to climate policy goals.
3. Long-term policy planning is insufficiently part of *day-to-day policymaking and policy analysis*, and the *functional interrelations* between energy policy and long-term climate policy objectives are not always adequately recognised.

The next sections discuss the research project, its results and conclusions in more detail. I close the paper by highlighting some concrete actions that policymakers may need to take to develop coherent policies and to achieve long-term climate policy goals.

With discussions on-going in the EU on the climate and energy policy framework to 2030, it is timely to assess the reality of climate policy integration into EU energy policy. Such an analysis can lead to lessons for the legislative process for the 2030 package, and even for policies in other sectors and beyond 2030. Climate change is a complex, crosscutting, long-term and global problem. Policymakers acknowledge that integrating climate policy objectives into the elaboration and agreement of measures in other sectors represents one method for striving towards coherent policies that respond adequately to the climate change problem. This policy brief presents the results and policy recommendations from the project “climate policy integration into EU energy policy”.

Research project and results

In the project “climate policy integration into EU energy policy”, I examined the extent of climate policy integration (CPI) in the process and output of three EU energy policies over the course of 2000 to 2010. The extent of CPI found was then evaluated against a number of explanatory variables. The project followed a qualitative comparative case-study research design, comparing:

1. EU renewable energy policy, RE (renewable energy sources of electricity Directive 2001/77/EC and renewable energy Directive 2009/28/EC);
2. EU energy performance of buildings policy, EPB (Directive

2002/91/EC and its 2010 recast, Directive 2010/31/EC).

3. EU policies in support of infrastructure to import natural gas (trans-European networks for energy, TEN-E, Decisions 1229/2003 and 1364/2006, and the European Energy Programme for Recovery, EEPR, Regulation No 663/2009).

To measure the extent of CPI in each of these policies I assessed the extent to which they helped achieve the desired reduction in GHG emissions by between 80 and 95 per cent by 2050. In each of the three cases, the level of CPI was found to be insufficient to achieve decarbonisation by 2050, although results varied. While renewable energy policy proved a best case (with low to medium levels of CPI for the policy output of the 2009 Directive), policy on natural gas infrastructure proved the worst case, with no evidence of CPI.

Additionally, looking into the processes leading to the adoption of each of these policy measures provided further clues about the strength of CPI. While pro-climate stakeholders may have had a relatively strong voice in the determination of EU renewable energy policy, with backing from EU legislators, these voices were not present in the elaboration of policy on natural gas infrastructure support. Furthermore, where internal EU legislators (e.g. member states in the Council) did not share the same pro-climate views, CPI remained weak due to other priorities. This is the case in energy performance of buildings policy (see Table 1).

CASE	CPI Process	CPI Output
2001 RES-E	Low to medium	Low
2009 RE	Medium to high	Low (to medium)
2002 EPBD	Low to medium	Low
2010 EPBD	Low to medium	Low
2003, 2006 TEN-E	None/very low	None/very low
2009 EEPR	None/very low	None/very low

Table 1: The extent of CPI in the cases.

In summary, it can be clearly stated that, given the long-term policy perspective of achieving climate policy goals to 2050, *the level of CPI in the three cases is insufficient*. Neither did the levels of CPI evolve much over the course of the first decade of the 2000s.

In summary, it can be clearly stated that, given the long-term policy perspective of achieving climate policy goals to 2050, the level of CPI in the three cases is insufficient. Neither did the levels of CPI evolve much over the course of the first decade of the 2000s (even though regulations did get more stringent, see below).

Why is CPI insufficient?

To identify explanations for these results, it is useful to refer to the growing literature on environmental and climate policy integration in general (Adelle & Russel, 2013; Dupont & Oberthür, 2012; Lafferty & Hovden, 2003), and to literature on the European integration process (Wiener, 2009). A number of potentially important explanatory variables can thus be identified, including:

- The extent of political commitment to climate change and climate policy integration;
- The nature of the functional interrelations between climate policy and the second policy objective;
- The institutional set-up for decision-making and the broader context within which policy is made;
- And the policy process itself as an explanation for the level of CPI in the policy output.

Applying the explanatory framework to the cases revealed the relative importance of the variables for understanding the extent of CPI in the policy process and the policy output.

First, *the recognition by policymakers of the nature of the functional interrelations between the energy policy being developed and climate policy objectives represented a crucial first-order variable for any ensuing evidence of CPI*. Where the nature of functional interrelations between policy objectives was found to be less obvious (or direct) and conflictual, it proved more challenging to find evidence of CPI later – due partly to the fact that in such circumstances, policymakers were less likely to recognise that functional interrelations existed at all. In the case of policy to support natural gas import infrastructure, for example, policymakers hardly recognised the links to long-term climate policy objectives. When climate change was part of the discussion in this case, it was only with a short-term view of promoting gas as an alternative to coal. Taking the long-term perspective to 2050 clearly shows that there is more than enough natural gas infrastructure to cover all EU natural gas consumption into the future (see also IES Policy Brief No. 1/2012).

Second, overarching political commitment by the EU to combating climate change was insufficient to push increases in levels of CPI in policy processes and outputs. It becomes clear that a second element of political commitment is required to advance CPI: namely, *political commitment to pushing CPI in particular*. Literature on environmental policy integration has long highlighted the importance of political commitment to environmental aims. Over the course of 2000 to 2010, while the overarching political commitment to combating climate change in the EU increased from medium to high levels, only in the renewable energy case did the levels of political commitment to CPI increase – albeit incrementally – over the same time period. By itself, political commitment both to combating climate change in general and to

promoting CPI, cannot explain the levels of CPI found in the case studies, but must be combined with other explanatory variables.

Third, *the role of pro-climate and environmental policymakers and stakeholders* in the policy process, as well as elements of the *decision-making process* and the *broader context* can help add nuance to the understanding of why such levels of CPI were found. In the energy performance of buildings case, for example, it was in later years that environmental stakeholders became interested in promoting higher levels of energy efficiency in buildings. However, member states did not necessarily see the clear benefit of EU-level policy in this field and rather watered-down provisions during the policy process. In later developments of the policy across all three cases, the financial and economic crises may have played a role in the final results. In the 2009 EEP, for example, providing large sums of financial support for gas infrastructure projects was considered necessary considering the lower levels of private investment.

What can be learned?

As mentioned above, there are three broad conclusions that can be drawn from this research.

1. The EU engages in continuous *“catch-up governance”*. EU policy measures seem to come too late with too little ambition. Each subsequent policy measure follows the same pattern, although it may be more stringent. As the timeframe to 2050 shortens, so the policy ambition must move forward in leaps and bounds. In the cases examined here, this leap in policy ambition did not occur. In the energy performance of buildings case, the 2010 Directive certainly improved the legislative framework in place: more stringent criteria were agreed for the energy performance of buildings, with timetables for ensuring all new buildings result in “nearly-zero” GHG emissions. However, the 2010 Directive came eight years after the weak and poorly implemented 2002 Directive. Although the provisions may be more stringent, the timeframe to achieve the climate policy objectives (to 2050) is shortened, rendering even the more stringent measures insufficiently ambitious.

2. EU policymakers *cannot rely on external stakeholders to push climate policy objectives* onto the agenda in all policy processes. In the energy performance of buildings case, there was very little climate stakeholder involvement in the policy process in the early 2000s. This may simply be because of a lack of resources available to such stakeholders and their own priorities. In the case of natural gas infrastructure policies, climate stakeholders were effectively absent from policymaking. This is not necessarily a conscious omission, either by EU policymakers or by the stakeholders themselves, but rather a product of circumstances. In the case of natural gas, many climate stakeholders may see the benefit of a short-term move to natural gas and away from coal. And many policymakers may not see the need to include

such stakeholders in the policy process, especially when the functional interrelations with climate policy objectives are not explicitly recognised.

3. *Long-term visions and objectives are often missing from day-to-day policymaking in the EU*. Policymaking tends to follow a short or medium-term logic, with policy ambitions proving insufficient for the long-term perspective. The renewable energy case demonstrates policy measures that seem ambitious in the short-term (with the 20 per cent target for 2020), but that are not ambitious enough in the long-term. By agreeing policy measures to 2020 that are insufficiently ambitious, more demanding later policies will be needed to ensure the 2050 objective is achieved – this puts off the bulk of the work until the future. In the natural gas infrastructure case, the short and medium-term vision is rather absurd, given the long life cycle of most large infrastructure projects (50 or 60 years). Natural gas infrastructure built before 2020 will still have the capacity to operate in 2050, and beyond. Taking a short-term view that natural gas may help move away from coal in the years leading to 2020 seems no justification for supporting infrastructure that would not be required for most of its operational lifetime. The clear risk is a “lock-in” to fossil fuels in the EU’s energy system.

What can policymakers and politicians do?

When it comes to long-term policy planning, it is important not only to set ambitious long-term policy objectives, but also *to decide how to get there*. With the discussions around the 2030 climate and energy policy framework, the EU seems on the right track. However, as shown above, policymakers need to attempt to *break the pattern of “catch-up governance”* and avoid putting off too much to tomorrow what needs to be achieved today. The long-term horizon to 2050 is often overshadowed by short-term concerns, such as costs. *Putting the 2050 objective at the centre of discussions* should help policymakers overcome such short-term concerns, by *highlighting the consequences of inaction and the opportunities* (for employment, health, environment, the economy, the EU’s political standing) of strong and ambitious action on climate change. European Commission officials, in particular, may have more opportunities to underline this focus, as they are less reliant on elections than MEPs or government representatives in the Council.

Policymakers should not be naïve, however, in thinking that focusing on the long-term policy horizon will mean policymaking will proceed smoothly. With a long-term policy vision, policy contradictions may become evident, along with the policy coherences that may also surface. In cases of policy contradictions (such as with policies supporting new natural gas infrastructure counter to objectives to reduce GHG emissions by 2050), *decisions on policy priorities will need to be made*. Guidance on the overarching priorities of the EU may require a high-level political decision, with agreement across governments and party groups

about the long-term policy priorities for the EU. With such guidance, policymakers can then make the difficult trade-offs that may be required in sector policies. Agreeing on such priorities will certainly prove challenging, especially in a context of short-term political cycles and overriding concern about the economic context. However, by promoting discussion on prioritising objectives, the EU's decision makers may find that over time they come eventually to a common vision, not only for climate and energy policy, but also for the EU as a whole.

Furthermore, a concrete, practical step that can be implemented in EU policymaking is *to ensure that the functional interrelations between long-term climate policy objectives and the policy measure being developed are clearly recognised* by policymakers. An impact assessment procedure that assesses a particular policy's impact on the achievement of the 2050 climate policy objective may represent a first step in ensuring policymakers are aware of the functional interrelations. Making such an assessment obligatory for all policy developments would prove invaluable, as in certain cases the functional interrelations may not be immediately obvious. Combined with a political objective that prioritises the 2050 climate objective, abandoning policy measures that contradict this goal would become a valid way forward. Additionally, such an impact assessment should and could be referred to throughout a policy process to ensure that policy discussions do not deviate from a long-term vision during the process.

Finally, *other procedures or guidelines* may be required to help advance CPI in the EU. For instance, in cases of recognised policy contradictions, policymakers may require *training* on the climate change issue (even in sectors that seem unrelated to climate change) to raise their awareness about the importance of enhancing policy synergies. Supporting formal and informal *interaction* among policymakers may help each understand the working portfolio of the other and how climate change interacts with their policy domain. These are just two examples of new procedural measures that may be required for furthering CPI, and thus helping ensure the EU achieves its 2050 objective.

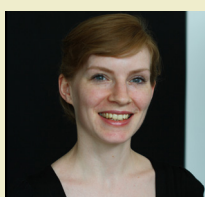
In conclusion, with the EU discussing the framework for climate and energy policy to 2030, it is crucial to consider the long-term context of the 2050 decarbonisation goal. Without enhanced efforts at improving CPI, without clear and explicit recognition of functional interrelations with long-term climate objectives, the EU is at risk of continuing on a path of insufficient CPI and "catch-up governance" – a path that is unlikely to lead to the achievement of the 2050 objective. Policymakers and politicians would do well to learn some lessons from the efforts of the first decade of the 2000s and the insufficient levels of CPI evident in energy policy at that time.

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