This PDF includes a chapter from the following book:

Learning in Governance

Climate Policy Integration in the European Union

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The title-level DOI for this work is:

doi:10.7551/mitpress/13662.001.0001

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3 Policymaking and Climate Policy Integration in the European Union

To determine the relevance of learning for policy change, it is important to understand the specifics of the examined policy areas. In this chapter, I contextualize the empirical research on learning within the EU. I will briefly explain the key underlying governance principles and the policymaking process within the EU, as well as conceptualize CPI as the overarching umbrella for the selected case studies on energy, transport, and agriculture policy.

I focus on the EU because of its self-understanding as a leading actor in global climate governance (Jordan et al. 2012; Schreuers and Tiberghien 2007; Skjærseth 2017) in terms of advanced climate policy. This is primarily motivated by the need to implement international commitments, such as the Kyoto Protocol and the Paris Agreement, as well as the desire to encourage other countries to step up their climate action by taking on a leadiator role that balances international leadership with mediating between emerging economies (Elgström and Skovgaard 2014). Following the economic and Eurozone crisis years, this ambition has become more modest (Skovgaard 2014), but it is increasingly reemerging on national and subnational political agendas following record weather extremes and youth protests in 2018 and 2019, including the declaration of climate emergencies. In December 2019, the European Commission under President Ursula von der Leyen announced the European Green Deal as Europe's "man on the moon" moment to achieve carbon neutrality by 2050.

I present case studies that fall within European climate governance and CPI (Adelle and Russel 2013; Rietig 2013), a cross-cutting policy field that focuses on the integration of climate change objectives into other, traditionally non-climate change–oriented policy areas that have a set of traditional objectives. These include energy policy (having a reliable supply of affordable energy), transport (getting people and goods from A to B at a reasonable cost and time), public finances (providing public goods at a

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reasonable cost) and agriculture policy (ensuring food security). This chapter serves as an introduction to the empirical chapters by offering background knowledge on the framework conditions governing policymaking in the EU and CPI.

The Policymaking Process in the European Union

The EU is a complex system of multiple governance layers and venues, with diffuse leadership structures operating in a wider sphere of multilevel governance (Hooghe 2012) and increasingly elements of polycentric governance as well (van Zeben and Bobic 2019). The process of European integration resulted in debates on the character of the EU between the extremes of a collection of nation-states (Moravcsik 1993) and a semifederal system (Nedergaard 2006b), while the Treaty of Lisbon (Craig 2010) in particular moved the EU closer to the latter characteristic. Undoubtedly, it is a system of complex multilevel governance (Jordan 2001; Jordan et al. 2012) that, like any political system, holds its own unique particularities that need to be acknowledged before offering wider lessons.

Policymaking in the EU is a negotiation process among multiple actors representing the local level and political parties (European Parliament), the national level (referred to as Council in this book including the Council of the EU and its system such as working groups and meetings of the permanent representatives/Committee of Permanent Representatives [COREPER]), and supranational level (European Commission). The negotiations are iterative and begin with an initial motivation to prepare a policy proposal at the European Commission, as the institution with the sole power to make policy proposals (Hix 2005; Nugent 2001). This motivation can include a request from the European Parliament, the Council, or input by external stakeholders such as interest groups or individual member states. It can also be internal to the European Commission at the initiative of a Commissioner or a staff member, mostly within the unit responsible for the respective policy area (Sabathil, Joos, and Kessler 2008). At the drafting stage of the policy proposal, the unit in charge within the European Commission frequently commissions studies; organizes meetings with experts; takes into account information provided by relevant stakeholders, including lobbyists; and undertakes impact assessments of various policy options (Nugent 2001). Depending on the exact nature of the policy proposal and the administrative culture of the respective directorate general or cabinet, this process has a varying level of formality. Following the early drafting and policy formation stage, the directorate general in charge of the policy

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proposal needs to coordinate with other directorate generals that have similar or diverging interests within the Interservice Consultations. In this process, other directorate generals formally provide their input. The policy proposal is then negotiated by the heads of cabinets (in a meeting called the Hebdo meeting) and finally decided by the College of Commissioners, which includes all Commissioners in charge of their different issue-based portfolios (Hix 2005; Hooghe 2001). If agreement is difficult to reach, the president of the European Commission or the secretary general intervenes as a policy broker to suggest a solution (Nugent 2001, 243).

The European Commission publishes its policy proposal, which is subsequently negotiated among the member states in the working groups of the Council. If the policy proposal falls within the remit of codecision, the European Parliament's issue-specific committee discusses the proposal before its vote (for a detailed description of the concept of codecision involving the European Parliament and Council, see Häge and Naurin 2013; Huber and Shackleton 2013). Representatives of the European Commission participate in all meetings to answer questions and facilitate the negotiations. If no consensus can be reached, a trilogue between key actors representing the European Commission, the European Parliament, and the Council is initiated (Hix 2005; Nugent 2001; Rasmussen and Reh 2013). This negotiation and policymaking process is based on agreement among key actors, including civil servants at the European Commission and those representing their member state's national interests, as well as politicians in the European Parliament and Council.

Overall, the power of the European Parliament has been strengthened with recent treaties, especially the Lisbon Treaty (Craig 2010). The role of the European Commission has increasingly moved toward a facilitating and brokering position within the "triangular interinstitutional relationship" (Nugent 2001, 261). While the debate between neofunctionalism and intergovernmental perspectives on European integration dominated the second half of the twentieth century (Moravcsik 1993; Risse 2005), more recent contributions have argued for multilevel governance and concluded that the use of public policy literature is appropriate in analyzing the EU policymaking process as the EU is moving toward a normal political system (Hix 2005). While the European Parliament represents the interests of European citizens via its elected members belonging to national political parties similar to a national parliament (Egeberg et al. 2013; Marshall 2012), and the Council represents the national interests of member states from an intergovernmental perspective similar to states in a federal political system (Beyers 2005; Häge and Naurin 2013; Warntjen 2010), the European Commission has a more complex role (Egeberg 2012).

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The European Commission plays a significant steering role in the policy process and—although its formal role ends with the publication of a policy proposal—also a large influence on the policy outcome, making it "the world's most powerful international executive" (Hooghe 2012, 88). While intergovernmental approaches downplay the supranational characteristics of the European Commission's bureaucracy (e.g., Moravcsik 1993) and point toward the interests of the member states instead, empirical studies since the 1990s have concluded that the European Commission can be understood as a policy entrepreneur that plays a leading, and even steering, role (Braun 2009; Cram 1994; Krause 2003; Hooghe and Keating 1994; Hooghe 2012; Laffan 1997). This role harks back to the European bureaucracy's origins and the visions of Jean Monnet, who envisaged the European administration as a small body of officials from different backgrounds who would work together to "produce solutions to common problems . . . and maximise the chances of survival and influence in a world of entrenched bureaucratic interests" (Page 1997, 5). The power of the European Commission stems from its political role, which includes its unique competence to initiate EU legislation and the need to persuade other groups and stakeholders before proposing legislation with the intention to have a high chance of being adopted with as few changes as possible (Page 1997, 146–47). Subsequently, the European Commission understands itself as holding a leadership role and is motivated in its actions by the key objective of driving European integration forward toward an ever closer Union (Hix 2005; Hooghe 2001; Nugent 2001).

The European Commission is frequently treated as a unitary actor, given its role based on the treaties (Koch and Lindenthal 2011), with little attention to the interplay of the different directorate generals, or even the individual bureaucrats as key policymakers. This argument has two dimensions. First, closer examination of the European Commission reveals a bureaucracy that not only has unique characteristics, but also shares elements with both continental national bureaucracies and international bureaucracies, while at the same time having no clear leading figure but many points of exercising leadership (Page 1997). The various directorate generals with their specific policy areas can be compared to national ministries, in that they take the lead in developing policy proposals within their own area of competence. This needs to be shared in cross-sectoral policies that involve two or more directorate generals, while one maintains ownership of developing the policy proposal (Nugent 2001; Sabathil, Joos, and Kessler 2008). Recent reforms of the Juncker Commission (2014–2019) introduced a stronger role for vice presidents and centralized decision-making toward the political

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leadership of the European Commission at the level of the president and vice presidents of the European Commission, as well as the European Commissioners and their cabinets (Bürgin 2018), which is maintained by the Von der Leyen Commission, which entered into office in December 2019.

The second dimension is the role of bureaucrats, both on the top level, as Commissioners appointed via elected politicians, and individual civil servants. Both types of actors within the European Commission have been found to act as policy entrepreneurs, going to extraordinary lengths to steer their policy proposals through the decision-making process and to strategically use aspects of leverage within the institutional machinery to achieve their objectives (Braun 2009; Skjærseth and Wettestad 2010; Wonka 2008). In this context, it is important to note that the "goals, objectives and even strategies of those who participate in decision making are influenced heavily by their organizational affiliation and position" (Page and Wouters 1994, 446). Individuals at other positions of coordinating power than the European Commission, such as the rapporteurs in the European Parliament and the president of the Council, can also play a central role as policy entrepreneurs (Egeberg et al. 2013; Marshall 2012; Huber and Shackleton 2013).

These findings point toward collective leadership based on a shared institutional objective linked to an individual's organizational affiliation and current position, as well as shared beliefs about the overall policy objectives and wider goals of the organization. This deepens integration among the member states toward a supranational polity with a "semi-federalist character" (Nedergaard 2008, 180) as envisaged by the EU's founders. The shared deep-core belief among most civil servants at the European Commission and its overall objective are to serve the common good of Europe and to further European integration. In the interinstitutional triangle of the EU institutions, the European Commission has traditionally been described as a supranational actor focused on advancing supranational empowerment, whereas the member states represent the intergovernmental pole via the Council that defends their national sovereignty (Hooghe 2001). When the beliefs of representatives of the European Commission across multiple levels of hierarchy are taken into account, we arrive at a triangle between supranationalism, where the College of Commissioners provides political guidance and its civil servants "defend the Commission's role as Europe's executive and help usher in a federal Europe"; institutional pragmatism, where both the Commission and the Council provide political guidance with a focus on shared needs and European solutions; and finally more traditional intergovernmental state-centrism, with member states remaining in the "driver's seat" (Hooghe 2012, 91).

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Climate Policy Integration in the European Union

To justify its image and leadership ambitions on the international level (Schreuers and Tiberghien 2007; Wurzel and Connelly 2011; Skjærseth 2017), the EU designed a number of specific climate policies, such as the European Emission Trading Scheme, to implement its Kyoto commitments (Skjærseth and Wettestad 2009). Yet many sectors remain relatively unaffected by specific climate policies, such as agriculture, regional and economic development, trade, and parts of the transport sector (Kettner, Kletzan-Slamanig, and Köppl 2012). Examples of the integration of climate objectives into other policy sectors include energy efficiency, the use of renewable energy, and the conditionality of regional development funds (Persson 2009) upon prioritizing low-carbon technology and infrastructure. It is crucial to move beyond understanding the related concepts of sustainable development, environmental policy integration (EPI), and CPI as fuzzy principles (Dupont and Primova 2011; Lafferty and Hovden 2003, 5) or political constructs (Nilsson and Persson 2003) that are interpreted differently by actors. Instead, clear-cut conceptualizations are required to enable their implementation across governance levels (Watson, Bulkeley, and Hudson 2008).

So what exactly is CPI? It originates from the concept of policy integration (Underdal 1980) and developed from EPI, which has played a relevant role in EU policymaking since the 1990s. CPI is a separate concept that has a limited overlap with EPI. In terms of policy design, CPI is a parallel stream to single-purpose climate policies, both on mitigation and adaptation. Criteria to evaluate the success of CPI include the extent of synergy in the sectoral policies' objectives with climate mitigation/adaptation in relation to innovation, technology, and infrastructure; the extent of state intervention required; and political factors including policy stability, economic feasibility, and societal consensus (Rietig 2013).

What Does Climate Policy Integration Mean?

The concept of policy integration goes beyond EPI and can be traced back over three decades, whereby EPI can be understood as the mother concept of CPI (Adelle and Russel 2013; Lenschow 2002; Jordan and Lenschow 2010). Developing a common conceptualization and an analytical framework for EPI has proved challenging. One reason might be the requirement of political consensus and a desire to not clearly define the concept similar to the relatively flexible use of sustainable development in policymaking

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to avoid complications based on different party-political and ideological interpretations (Jordan 2008).

It is problematic to conceptualize CPI as having the status of a principled priority (Lafferty and Hovden 2003) similar to EPI due to legal and normative considerations (Rietig 2013). While it is desirable as an ideal type of policy, the realities of policymaking should be measured as a benchmark of what constitutes successful CPI. The central legal issue is that CPI has a weaker standing as a policy principle and in international law, as it lacks the quasi-constitutional basis in European treaties (Rietig 2013) that is enjoyed by EPI (Collier 1997). To date, it remains merely a theoretical idea. Given the lack of a legal basis in national or European law, there are no provisions for implementation. It remains unclear who should oversee, evaluate, and carry out the integration of climate policies, let alone have appropriate legal, policy, and administrative instruments available for enforcement (Rietig 2013).

An important aspect that differentiates climate from EPI (Dupont and Primova 2011; Nilsson and Nilsson 2005; Nilsson 2006) is that climate measures can contradict environmental protection objectives such as hydropower and nuclear power. Biofuels and biomass constitute a major component of the EU's and US's renewable energy strategies to reduce carbon emissions. However, their positive contribution to climate mitigation targets has become highly contested given their high carbon intensity, as well as increasing evidence of their negative environmental consequences, including indirect land use change (ILUC) when forests and peat lands are converted to intensive agricultural use (Rietig 2013; Searchinger et al. 2008; Sharman and Holmes 2010). Despite their negative environmental impacts, hydropower and bioenergy are widely regarded as renewable energies and form a core measure to address climate change. Nuclear power is regarded by most countries as an acceptable medium-term choice to reduce emissions next to improving energy efficiency and increasing the share of solar or wind power (Kulovesi, Morgera, and Muñoz 2011), although there is also a risk of disastrous environmental consequences following nuclear accidents and the unresolved question of how to dispose of nuclear waste safely.

Conceptualization of Climate Policy Integration

Consequently, CPI should be seen as a separate concept from EPI, but ideally with major overlaps. It is thus the integration of climate policies designed to combat climate change into local, national, and international sectoral

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policies. CPI has a special relevance for policy fields in which the use of regulatory instruments can increase the synergy between climate mitigation and adaptation and the sectoral policies' objective. Climate objectives cannot be integrated into all other policy sectors with the same success (Rietig 2013). The core aspect is the level of synergies between the sector's policy objectives and climate objectives and the compatibility of underlying beliefs of key actors (Rietig 2019a). Synergies can exist in terms of technology, innovation, and infrastructure. The synergies depend on the potential for mitigation and adaptation and how easily the objectives of the policy sector can be harmonized with the climate objectives. Harmonization can happen via regulatory instruments or financial incentives.

Successful CPI requires favorable conditions from all three forms of governance—that is, hierarchy, market, and network governance across multiple governance levels (Watson et al. 2008). The first condition for successful CPI is continued political support beyond a change in government ensured by consensus within the governmental hierarchy or stable power equilibriums (Hamdouch and Depret 2010; Söderberg 2011; Weber and Driessen 2010). If there are frequent U-turns, either in support of or against the integration of climate policy considerations, a successful implementation may prove challenging. An empirical example of this is the third and most recent U-turn in German nuclear policy toward phasing out nuclear power in the early 2020s following the Fukushima disaster in 2011.

The second condition is societal consensus among all actors within the governance network and a wider sentiment in society in favor of integrating climate objectives into other policy sectors. The third condition is the economic feasibility of CPI, which includes low policy volatility, and thereby low investment uncertainty. Only when market actors understand upfront investment as advantageous for their innovation capacity and have a reliable, stable legal framework incentivizing the investment in clean technologies and supporting infrastructure (Hamdouch and Depret 2010) are they likely to cooperate. Furthermore, where financial instruments are used to incentivize the integration of climate policies such as development funds, donors need to possess the capacity to enforce conditionalities of payment upon compliance with CPI priorities and to verify the use of funds via monitoring.

It may prove challenging for governments to adopt appropriate legislative proposals that integrate climate objectives due to internal coordination challenges. The attempt to integrate climate objectives can result in conflicts between government departments and other involved actors regarding policy priorities and competencies. Policymakers need to take this challenge into consideration, especially in instances where the affected

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policy sector has few automatic synergies with CPI (e.g., see the cases examined by Söderberg 2011; Weber and Driessen 2010; Watson et al. 2008). This can be addressed by introducing incentives for close cooperation among government departments across hierarchical levels and by setting up climate policy units within all government departments relevant to CPI.

The implementation of CPI requires a considerable time span. Existing legislation to integrate climate objectives is vulnerable to ongoing political dynamics, either via elections, shifting public opinion, or external shocks (Rietig and Laing 2017). Those can reverse the decisions made before the shock situation or by a previous government (Jones and Baumgartner 2012; Söderberg 2011). This opens up the necessity to design policies that stick (Levin et al. 2012)—that is, that create a path dependency that is not easily reversible by external political events and that have a high level of policy stability. This could happen via the creation of industries with business opportunities around the new policy area that subsequently develop vested interests and would thus protest policy change reversing the policy. Other options could be political decisions for an overall policy objective, while allowing governments to implement appropriate interim steps toward the overall target via executive orders triggered by automatic interim monitoring and evaluation processes. Membership in an international organization or regional bloc with a supranational level of decision-making such as the EU can also support policy stability, as short-term public opinion or political party objectives could less easily sweep away previous commitments (Rietig and Laing 2017).

CPI also requires a strong basis to remain resilient toward reoccurring economic and financial crises around the globe, which have frequently negative repercussions on other countries. Companies and local authorities can hardly make investment decisions in infrastructure, power generation, or production methods under the uncertainty that their additional short-term costs from integrating climate concerns may not provide medium- and long-term benefits, given the risk of the more stringent policy being discarded after a few years (see also Brunner, Flachsland, and Marschinski 2012). One such example of providing policy stability is the adoption of a target for reducing greenhouse gas emissions by 80 to 95 percent from 1990 levels as well as the more recent move toward aiming for carbon neutrality by 2050. In particular, the Paris Agreement on climate change, with its requirement of increasing national ambition to address climate change and regular review cycles, offers a certain minimal measure of stability in the long term, even if national elections temporarily bring governments into power that ignore the relevance of climate action or even actively dismantle

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existing climate policies. For example, US President Donald Trump withdrew the United States from the Paris Agreement. Following his inauguration in January 2021, US President Joe Biden returned the United States to the Paris Agreement and resumed ambitious climate policies including matching the EU's objective of becoming climate neutral by 2050.

Conclusion

In this chapter, I provided a brief overview of the European policymaking process and CPI. I zoomed in on the key role of the European Commission, which can be understood as a collective policy entrepreneur in the European policymaking process based on its special role as the only institution with the power to propose legislation. The European Commission also understands its mission as driving further European integration. To a certain extent, these characteristics are unique to the Commission; however, the notion of policy entrepreneurs in public administration, both as organization and as individual, is not new or limited to it. Originally developed in a predominantly US or international context (Howard 2001; Kingdon 1995), the notion of policy entrepreneurs finds an increasing uptake in the literature on the EU, with some contributions focusing on the European Commission, which as an institution acts as a policy entrepreneur (Krause 2003; Mintrom 2013), and on individuals taking on the roles of individual policy entrepreneurs from within the European Commission (Bauer 2008; Braun 2009; Skjærseth and Wettestad 2010).

For CPI to succeed, governmental institutions (the European Commission in the European case) need to retain a steering role. They must provide incentives for CPI through regulatory and distributive intervention (Brunner et al. 2012). The level of intervention required depends on how well each sector's objectives match with the potential for climate mitigation and adaptation (Swart and Raes 2007) and how closely underlying beliefs are aligned or potentially competing (Rietig 2019a). These synergies in objectives also determine the economic feasibility of CPI in the respective sectors and the level of societal support for such policies.

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