The European Commission's Shifting Climate Leadership

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Abstract

The European Commission has played a crucial role in promoting ambitious EU climate targets and policies that boost the credibility of EU leadership-by-example efforts internationally. The approach has gradually shifted from leadership toward more strategic behavior that reflects the preferences of the member states. Reduced uncertainty concerning member-state preferences and solutions accounts for much of the change in leadership. Uncertainty has decreased as climate policies have become more mature and member states have gained experience from implementing them. Asymmetries in member-state preferences, decision-making procedures, and impatience caused by the international context are all important conditions for the European Commission's leadership. These observations lend support to apparently contradictory theories that have seen EU climate policy as propelled either by autonomous supranational institutions or by increasingly ambitious member states.

The EU has aimed at "leadership by example" in international climate negotiations, by adding increasingly ambitious climate targets and policies. This development seems puzzling, especially after the accession of Central and East European coal-dependent countries like Poland, which have not favored more-stringent EU climate policies. This article examines the leadership of the European Commission (henceforth, simply the "Commission") in promoting EU-internal climate policy, as well as the conditions under which this leadership is exercised. How did the Commission go about initiating climate policies acceptable to the "least ambitious" actors? Did it exercise leadership within the EU—and if so, which types of leadership, and under what conditions?

This article applies international cooperation theory as a means to distinguish between different types of leadership, and applies theories of EU integration and policy-making as a means to examine the merits and conditions for

supranational leadership. The Commission's role in promoting EU climate policies speaks mainly to the "who governs the EU" literature on supranationalism and supranational entrepreneurship (e.g., Hodson 2013; Pollack 1997; Sweet 1997). This literature tends to place the Commission's role and behavior within the intergovernmental or supranational-institution perspectives on EU integration and policy-making. Has progress in EU climate policy been propelled mainly by increasingly ambitious member-state governments, or by autonomous supranational institutions pushing for more-ambitious climate policy?

EU climate policy and EU climate leadership have received significant scholarly attention (see Delreux and Happaerts 2016; Dupont and Oberthür 2015; Jordan et al. 2010; Liefferink and Wurzel 2016; Oberthür and Pallemaerts 2010; Parker and Karlsson 2010; Schreurs and Tiberghien 2007; Selin and VanDeveer 2015; Skjærseth et al. 2016; Torney, 2015; Wurzel et al. 2017). The literature on climate leadership has focused mostly on the EU as a whole. The present study offers new insights into EU climate-policy development and leadership by examining the crucial role of the Commission. Second, the article contributes to theories of EU integration and policy making by systematically studying the types and conditions for Commission leadership over time, from the 1997 Kyoto Protocol to the 2015 Paris Agreement. With its focus on the Commission, this article is also relevant to the literature on the influence of international (environmental) bureaucracies (Biermann et al. 2009; Jinnah 2014).

The empirical data underpinning the analysis come from multiple sources, including eighteen semistructured interviews. Interviewees are listed at the end.

Leadership Types and Conditions

In international cooperation theory, "leadership" can be defined as an asymmetrical relationship of influence, where one actor guides or directs the behavior of others toward a certain goal over a certain time period (Underdal 1991, 140). *Leadership* is different from the actions of agents who engage in ordinary policy-making and bargaining (Malnes 1995). To qualify as "leader," the Commission should have an independent influence on policy-making that exceeds its formal role.

The Commission is the EU's main executive body. Its chief function in the decision-making process is to propose legislation, which is then adopted (or not adopted) by the co-legislators, the Council of Ministers and the European Parliament. The Commission also ensures implementation by EU member states, sets objectives and priorities for action, manages the budget, and represents the EU outside Europe. Successive treaties provide the legal basis for its climate policies: the 1987 Single European Act introduced climate change as part of the environmental chapter, and the 2009 Lisbon Treaty referred specifically to climate change, codifying established practice.

The Commission is partly political (the College of Commissioners) and partly bureaucratic (the directorates-general or DGs) (Delreux and Happaerts 2016). The commissioners, one from each member state, are to serve EU interests: nationality plays a limited role for both commissioners and officials (Egeberg 2012). Because climate change is a long-term challenge, the distinctive strength of the Commission lies in its capacity to shape and frame climate policies for the longer term. The Commission is to serve EU interests without being responsible for the financial resources needed for implementation at the member-state level. It is not directly accountable to the electorate, in that there is no electoral contest for the basic direction of EU policies, even when members are elected to the European Parliament (Follesdal and Hix 2006). All of this means that the Commission can think and act with a more long-range perspective than is possible for most individual member states.

For the Commission to qualify as a leader, its climate-policy initiatives should both be independent of member-state requests and lead to ever-more-ambitious targets and policies as compared to the status quo. The Commission has various opportunities for exercising informal leadership in combination with "ordinary policy making" (Pollack 1997, 126). First, it can act as an *entrepreneurial* leader (Barnes 2010; Underdal 1991; Young 1991), in that its resources may be used to formulate and frame new policy ideas, mobilize support, and craft consensus. Entrepreneurial leadership entails identifying the means and guiding others toward a common end. This requires conviction, skill, energy—and legal status. Climate-policy initiatives are typically taken by DG Climate Action, but other DGs must be involved when developing a Commission proposal (Delreux and Happaerts 2016).

Second, the Commission can act as an *intellectual* leader (Underdal 1991; Young 1991). Such a leader can shape and influence the preferences of the other pivotal decision-makers needed for changing the status quo—EU member states and the European Parliament. Policies can be accelerated by intellectual leadership, particularly in issue areas such as climate policy, where scientists and technical experts play a central role (Dreger 2014). Intellectual leadership exercised by the Commission presupposes asymmetrical knowledge that is acted upon. Access to, and control over, the production and dissemination of relevant information is a key resource for intellectual climate leadership on the part of the Commission. Entrepreneurial and intellectual types of leadership are not mutually exclusive; indeed, they may prove particularly effective in combination.

The Commission by itself can hardly exercise leadership by example, because it is not an implementing agent. It can, however, promote internal policies that boost the international credibility of EU leadership-by-example efforts. Likewise, the Commission does not possess the resources traditionally needed for *structural* leadership, associated with some type of power or force. However, its formal role and informal initiatives can affect others by holding them accountable to joint commitments, through "shaming and blaming" beyond formal enforcement capabilities. This way of directing the behavior of others resembles structural leadership.

Various approaches to EU integration and policy-making operate with different views on supranational leadership. *Intergovernmentalism* generally holds that member states drive EU integration and policies forward through various channels and mechanisms, leaving scant room for autonomous supranational institutions to influence policy-making significantly (Hooghe and Marks 2001). *Liberal intergovernmentalism* is skeptical regarding leadership in international cooperation, particularly leadership by supranational EU entrepreneurs (Moravcsik 1999, 298). According to this view, policy outcomes reflect the relative interests and strengths of the most powerful member states; scant flexibility to make concessions drives EU agreements toward the "lowest common denominator" (Fairbrass and Jordan 2004; Marks et al. 1996). *New intergovernmentalism* holds that policies at the EU level progress because the member-state governments prefer greater cooperation and more ambitious policies, with the Commission acting strategically to avoid launching proposals that stand little chance of being adopted (Bickerton et al. 2015; Hodson 2013). This will be referred to as "strategic behavior," since leadership presupposes some consistency in directing the behavior of others over time.

Supranationalism holds that the Commission will tend to exceed its formal role as agent for national governments by driving EU policies forward. Entrepreneurial and intellectual types of leadership rest on the assumption that actors often have incomplete and imperfect information, as well as vague preferences as to their own interests and possible solutions. These conditions fit well with theories emphasizing the independent influence of supranational institutions, such as multilevel governance, public administration, and new institutionalism (Fairbrass and Jordan 2004; Pollack 1997; Sweet 1997; Trondal 2007). Emphasizing the influence of the Commission also resonates with a principal-agent analysis of international organizations (see Barnett and Finnemore 1999; Pollack 1997) and with findings from the growing literature on international environmental bureaucracies (see Biermann and Siebenhüner 2009; Biermann et al. 2009; Jinnah 2014). Commission leadership may prove particularly influential if it can form transnational policy "networks" with, for example, nonstate actors such as industry and green groups (Richardson 1996). According to supranationalism, the Commission will exercise independent climate leadership even when initiatives and proposals are unlikely to be adopted.

How can we determine, analytically and empirically, the likelihood of Commission success? This article explores the conditions for Commission leadership, drawing on the intergovernmental and supranationalist literatures. First, the distribution of member-state preferences in the Council of Ministers and the European Council is a key intergovernmentalist condition affecting the Commission's scope for maneuver. The Commission has little chance of success if asymmetrical preferences converge around issues and policies with high distributional consequences for member-state governments (Pollack 1997). However, the Commission's chances may improve if it can partner with the country holding the presidency and chairing the negotiations (Skjærseth et al. 2016).

Second, the likelihood of success will decrease with growing certainty as to member states' (asymmetrical) preferences and solutions. As is emphasized by supranationalism, indeterminate preferences will tend to enhance the Commission's scope for intellectual leadership, whereas uncertainty about solutions will improve its scope for entrepreneurial leadership. Uncertainty is likely to be high in the early stages of the policy cycle, where the Commission has a prominent formal role as the main agenda-setter in the EU.

Third, the probability of success will decrease, the more demanding the decision-making procedure is. If member-state preferences are asymmetrical (and determinate), it will be difficult to raise climate ambitions when unanimity is required. Most EU climate and related energy targets and policies have been adopted by unanimity or consensus, which has been either legally required or politically determined. Under these demanding decision-making rules, the Commission must persuade the "lowest common denominators"—or craft policies acceptable to all central decision-makers. Issues and policies can be linked, to raise EU ambitious without sacrificing consent among pivotal actors (Sebenius 1983).

Fourth, external international factors can cause impatience about securing agreement, which can provide the Commission with a window of opportunity (Pollack 1997). In EU climate policy, impatience among decision-makers rooted in external factors may stem from developments in the economy, geopolitical energy security, and international commitments (Skjærseth et al. 2016). Because the EU is predominantly an import region for energy, it is vulnerable to geopolitical events and economic fluctuations that affect demand, supply, and energy prices in the international market. Upcoming international climate summits and changes in the positions of major international partners may spur impatience as a result of the EU's leadership-by-example ambitions.

Intergovernmental and supranationalist approaches often view the Commission as a unitary actor. However, internal diversity within the Commission itself makes independent initiatives and proposals difficult. A few DGs have key roles in internal climate policy, notably those for Environment, Climate Action, and Transport and Energy/Energy.[1] These and other relevant DGs differ in their preferences and cultures, tending to put forward competing policy positions (Delreux and Happaerts 2016; Hix 2005; Skjærseth et al. 2016). Changes in the procedures for internal coordination may strengthen Commission unity.

In summary, Commission leadership is likely to be most challenging when the Commission is internally diversified, when member-state preferences are certain and asymmetrical, and when unanimity is required within an international context that does not spur impatience. Identifying the causal links between Commission initiatives, proposals, and outcomes requires careful process tracing. The following empirical analysis assesses whether the Commission has

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1. In February 2010, departments relating to climate change were split off from DG Environment to form DG Climate Action. Energy was split from Transport to form the new DG Energy.

qualified as a "climate leader" by independently, consistently, and successfully initiating and proposing climate policies and targets under changing conditions.

Commission Leadership in EU Climate Policy: Three Phases

Establishing the EU Emissions Trading System: Entrepreneurial and Intellectual Leadership

After the 1997 Kyoto Protocol, EU climate policies gained momentum with the adoption of the burden-sharing agreement and the EU emissions trading system (EU ETS). The burden-sharing agreement divided member-state responsibilities for meeting the EU's 8-percent emissions reduction commitment under the Kyoto Protocol for 2008–2012. In October 2001, the Commission proposed the EU ETS, intended as an innovative market-based policy instrument with the world's first-ever international cap-and-trade system, targeting 11,000 industrial installations in power- and energy-intensive sectors. The distributional consequences would mainly affect private companies that owned the industrial installations covered by the system.

Before the launch of the proposal, the head of unit, climate change, in DG Environment, Jos Delbeke, came to head the team developing the EU ETS (Wettestad 2005). Delbeke had been responsible for economic instruments and was involved, inter alia, in the unsuccessful efforts to get the EU carbon/energy tax adopted prior to the Kyoto Protocol. During the first half of 1998, Delbeke persuaded Environment Commissioner Ritt Bjerregaard to support the plans for emissions trading as the EU's key climate-policy instrument (Skjærseth and Wettestad 2008).

One of the first challenges for Delbeke's group was to amass expertise on what an EU ETS could look like.[2] The EU lacked experience with emissions trading, which had not been tested as a climate instrument internationally, and uncertainty was high as to decision-makers' preferences on emissions trading. The development from vague ideas to a specific design proposal can be traced back to deliberate expertise-building in the Commission (CCAP 2000). Delbeke's group gained an almost two-year lead over most individual member states in expertise on the possible design of an EU ETS. Only the UK, the Netherlands, and Denmark had paid serious attention to emissions trading, and then solely as a domestic measure. This asymmetrical distribution of expertise provided the basis for intellectual leadership on the part of the Commission.

The second challenge for Delbeke's group was to muster political support for emissions trading. Few member states were familiar with the concept, few were enthusiastic about the emerging plans, and some important states, Germany among them, opposed the idea of an EU ETS. Member-state preferences were highly asymmetrical but indeterminate. Industry was basically more positive to

2. This section draws on Skjærseth and Wettestad (2010).

emissions trading than to taxes, but energy-intensive industries generally preferred voluntary agreements. By contrast, the electric power industry—shielded from competition outside Europe—was positive, and the major oil companies BP and Shell had already implemented company-internal emissions trading that inspired the EU ETS. The "green" groups were skeptical or opposed, known for their slogan "trading pollution is not a solution" during the Kyoto negotiations. Other parts of the Commission, such as DG Enterprise, were not keen on introducing potential competitive disadvantages to European energy-intensive industries, and early statements from the Environment Committee of the European Parliament indicated limited insight and diverging views (Skjærseth and Wettestad 2008). Parallel with an inclusive consultation process, based on a green paper on the trading system in 2000, the Commission initiated ten stakeholder meetings, including representatives of green groups and industrial interests that were positive to emissions trading or affected by it. In addition, stability and continuity in personal representation were encouraged, to promote mutual confidence and understanding (European Commission 2000). This deliberate consensus-building effort, involving transnational policy "networks" with nonstate actors, provided the basis for entrepreneurial leadership.

The Commission framed emissions trading as an instrument with something for everybody (Skjærseth and Wettestad 2008): cost-effectiveness and economic opportunities for industries, environmental effectiveness for green groups (and the European Parliament). To governments, these arguments were combined and linked to implementing the burden-sharing agreement and the Kyoto Protocol targets. This framing proved effective in reducing resistance and building support within the Commission, member states, industry, and green groups. However, disagreement on important design issues remained.

The US exit from the Kyoto Protocol in March 2001 led the Commission to advance its agenda significantly on the proposal for an emissions trading directive. Bush's withdrawal spurred impatience among EU decision-makers and served to unite the EU—including the Commission—in an extraordinary way. The US exit had made the entry into force of the Kyoto Protocol uncertain—and the EU was determined to take the lead in winning the support from other states needed for the Protocol to enter into force (Skjærseth and Wettestad 2008). The EU ETS became important in the EU's efforts to show the world that it was indeed taking action on climate change. In 2003, a rather weak and decentralized trading system based on free allowances was unanimously agreed by the EU-15 and endorsed by the European Parliament. The "shadow threat" of qualified-majority voting proved effective in getting still-skeptical countries like Germany on board.

Entrepreneurial Leadership in Linking Climate and Energy Policies for 2020

Following the adoption of the EU ETS, a clash surfaced between DG Transport and Energy and DG Environment. Energy Commissioner de Palacio challenged

Environment Commissioner Wallström over the economic costs of the EU's international climate strategy of leadership by example. Commission President Romano Prodi publicly criticized de Palacio, stressing the importance of keeping the Commission unified in support of the EU's leadership role in international climate policies (EurActive 2005). This incident shows that climate policy had significantly lower priority in DG Transport and Energy than in DG Environment. With the first Barroso Commission in 2005, internal disagreement prevented the Commission from proposing a new EU climate target for 2020 (Skjærseth 2016).

By 2006, oil prices were rising. Energy security also climbed the political agenda because of the Ukraine-Russia energy dispute that threatened European gas supplies. In March, the Commission responded by issuing a green paper, prepared by DG Transport and Energy, on a European strategy for sustainable, competitive, and secure energy (European Commission 2006). It painted a dark picture of energy challenges for the world's largest energy importer and stressed the need for a new energy policy as an integral part of EU climate policy. The European Council followed up by calling for a new EU energy policy in line with the green paper. The Commission was invited to prepare a set of actions with clear timetables for adoption at the 2007 spring session (Skjærseth et al. 2016).

International conditions favorable for strengthening energy security and climate policy had placed these issues firmly on the Commission's agenda.[3] DG Transport and Energy needed DG Environment and the increasing political saliency of climate change to develop a common EU energy policy. DG Environment needed DG Transport and Energy to strengthen the case within the Commission for more-ambitious climate targets and a stronger and more harmonized ETS at the EU level. Moreover, the new Barroso Commission introduced new commissioners for DG Environment and DG Transport and Energy, who managed to put an end to the conflict between their predecessors. Barroso also improved coordination within the Commission by strengthening the role of Secretary-General and making impact assessment of policy proposals mandatory (Delreux and Happaerts 2016).

With 2007 came a turning point for EU climate and energy policy. In January, the Commission issued two key communications on energy and climate policy strategies for 2020 and beyond. The communications, prepared by DG Transport and Energy and DG Environment respectively, were published jointly on the same day by the Commission, showing the close collaboration between the two commissioners. The tone was radical: "Strong scientific evidence shows that urgent action to tackle climate change is imperative" (European Commission 2007a, 3). The remedy was to set about transforming Europe, catalyzing a new industrial revolution by accelerating the shift to low-carbon

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3. Interviews with Commission staff and representatives of the Centre for European Policy Studies (CEPS) and CAN Europe, April and September 2011.

growth: "The EU would have set the pace for a new global industrial revolution" (European Commission 2007b, 5, 21). These communications proposed cutting greenhouse gas (GHG) emissions and increasing the share of renewables and energy efficiency by 20 percent, as compared to 1990 levels, by 2020. The proposal of reducing GHGs by at least 20 percent would be stepped up to 30 percent if an adequate international climate treaty could be agreed upon at the 2009 Copenhagen climate summit. A Strategic European Energy Technology Plan (SET Plan) was proposed, to lower the cost of clean energy and put the EU at the forefront of the low-carbon technology sector.

The main challenge facing the Commission in transforming the plans into legislation was to combine the varying preferences of the member states.[4] Most of the ten Central and Eastern European countries (CEECs) that joined the EU between 2004 and 2007 were more concerned about energy security than climate change. These "newcomers" lacked experience with EU climate and energy policies, but countries like Poland had already firmly stated their opposition to carbon pricing by emissions trading, which would punish coal severely (Skjærseth 2014). By contrast, the EU-15 generally favored a more stringent climate policy, as expressed by the adoption of the emissions trading directive. France, Germany, and the UK were also supportive of the Commission's plans.

The Commission now exercised entrepreneurial leadership by crafting a package of policies that exceeded the "lowest common dominators" and gave something to all pivotal decision-makers. First, it proposed the adoption of binding rules for safe carbon capture and storage (CCS), including the construction of up to twelve large-scale demonstration plants in Europe by 2015. CCS was intended to serve as "political glue" to alleviate the trade-off between mitigation of climate change and security of supply for countries highly dependent on indigenous coal, like Poland. It would also reduce resistance from the oil industry, by giving it opportunities in a low-carbon economy. Second, revision of the EU ETS by adding auctioning of allowances would bring revenues that could be used to subsidize the modernization of energy systems in lower-income member states in Central and Eastern Europe. Third, new policies to increase renewable energy consumption and energy efficiency would reduce the EU's energy-import dependency; they would also be welcomed by the renewables industry and the environmental movement, and be particularly attractive to Germany. The European Parliament responded swiftly, in February 2007 issuing a resolution that argued for climate and energy targets and policies even more stringent than those proposed by the Commission (European Parliament 2007).

In March 2007, the European Council agreed on the key elements of the new EU climate and energy targets and policies. The Commission proposed the climate-and-energy package as legislation in January 2008. This package proposal entailed revision of the ETS directive with an EU-level cap, auctioning

4. Interviews with Commission staff and representatives of CEPS and CAN Europe, April and September 2011.

and harmonized rules, the effort sharing decision (ESD) covering non-ETS sectors, the renewable energy directive (RED), and the CCS directive. Other transport policies simultaneously developed by the Commission were prepared according to a different time schedule.[5] The package was based on thorough impact assessment of how these proposals would work together in distributing the burdens among member states (European Commission 2008).

The climate-and-energy package was negotiated and adopted in 2008. The main structure remained intact throughout the 2008 negotiations, despite several changes to the Commission's original policy proposals (Oberthür and Pallemaerts 2010; Skjærseth 2016). Further concessions were given, in the forms of special arrangements and more funding and mainly to CEECs, as a result of the financial crisis that unfolded from autumn 2008.

The rapid adoption of this complex package of new policies as the financial crisis was emerging was largely a result of how the Commission had designed the package. In addition to forging synergies between climate and energy concerns, the Commission had crafted a package of instruments that gave room for mutual concessions during the negotiations and provided financial assistance to reluctant lower-income member states.[6] Leadership from the French presidency proved extremely important in forging compromise (Skjærseth et al. 2016). One institutional tool the French used was to replace qualified-majority voting in the Council of Ministers with unanimity in the European Council. Because the elements of the package were mutually reinforcing, decision-makers were pressured to negotiate and adopt all legislative proposals simultaneously. Moreover, the upcoming climate negotiations in Copenhagen in December 2009 caused impatience among EU decision-makers. If the package failed, that would deal a serious blow to the EU's leadership-by-example ambitions.

Toward Strategic Behavior in the 2030 Framework and Beyond

The international context changed shortly after the climate-and-energy package was adopted. The conditions set by the EU for moving to a 30-percent GHG reduction target were not met in Copenhagen. Moreover, the economic crises unfolding from 2008 brought emissions down, particularly in the ETS sectors, reducing the carbon price to just above €5 in spring 2014, and thereby lessening the incentives for industry to invest in low-carbon measures.

The Commission responded in 2010 with an analysis of options for moving beyond the 20-percent GHG reduction target (European Commission 2010). A 30-percent unilateral target was discussed internally in the Commission, pushed by Climate Commissioner Connie Hedegaard and DG Climate Action. However, a new unilateral target for 2020 had few supporters among the member states, and Poland in particular opposed tougher emissions cuts.

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5. Regulation covering emissions from new cars and a directive on fuel quality.
6. For a comprehensive analysis of the negotiations, see Kulovesi et al. 2011 and Skjærseth et al. 2016.

Lack of broad-based support stalled DG Climate Action's plans for moving unilaterally toward a 30-percent reduction by 2020. DG Climate Action then used a 2009 European Council statement on reducing GHG emissions by 2050 between 80 and 95 percent as compared to 1990 levels as a foundation for stepping up policies. In March 2011, the Commission issued a Low Carbon Roadmap prepared by DG Climate Action for moving stepwise toward at least 80 percent by 2050, which would imply a more ambitious 2020 target (European Commission 2011a). In December 2011, it followed up with the Energy Roadmap 2050 prepared by DG Energy, which concluded that greater energy efficiency and more use of renewables would cost approximately the same as would continued heavy reliance on nuclear power and fossil fuels (European Commission 2011b). The Commission managed to maintain unity on these long-term targets and sought to hold member states accountable, but Poland remained opposed to both roadmaps, despite the Commission's efforts to hammer out a compromise.

Failure to facilitate agreement on a more ambitious 2020 climate target or stepwise targets toward 2050 reduced the Commission's room for maneuver. But something would have to be done to rescue the EU's climate-policy flagship—the EU ETS (Wettestad 2014). A surplus of allowances was expected to build up in 2012 and 2013, reaching over two billion allowances and continuing beyond 2020. That could threaten the effectiveness and legitimacy of the system—the basic principle behind effective cap-and-trade is that fewer allowances should be given to industry than are projected to be needed. In July 2012, the Commission initiated legal changes to postpone, or "backload," the auctioning of 900 million allowances from the beginning to the end of the 2013–2020 period. Even so, the proposal proved extremely controversial and was not adopted until January 2014. The Commission then started to follow a more cautious, member-state-sensitive strategy. Illustrative here is the market stability reserve (MSR), proposed by the Commission in 2014 for dealing with surpluses beyond 2020. In 2015, the European Parliament and the member states adopted, by qualified majority, an MSR more ambitious than the one originally proposed by the Commission, including prevention of release of the 900 million backloaded allowances into the overflooded carbon market.

More strategic behavior was also evident in the deliberations on the new 2030 climate-and-energy framework. In January 2014 the Commission proposed a framework on climate and energy policies for 2030 (European Commission 2013; European Commission 2014). The proposal, which built on extensive consultations with member states and other stakeholders, reflected differing member-state experiences with implementation of the 2020 policies (Skjærseth et al. 2016). Since 2009 the climate-and-energy package had been tried out in all member states, resulting in varying and more demarcated preferences on specific policies. CCS had failed to materialize and was not mentioned in the Commission proposal for 2030 (Skjærseth et al. 2016). Moreover, because of mixed implementation experiences and incompatibility with internal energy

market policies, the new renewable-energy target would not be binding at the member-state level. The tone had changed markedly from 2007: gone was the rhetoric of a new "green" industrial revolution. However, the Commission did propose strengthening the ETS and ESD to achieve the new 40-percent GHG reduction target by 2030 (European Commission 2014).

Still, initial responses to the Commission's proposal showed deep divisions between two member-state groups.[7] The first was the Green Growth Group, an informal grouping of like-minded energy, climate, and environment ministers from thirteen member states. This group issued a joint statement prior to the March 2014 European Council, endorsing the core elements set out by the Commission (Green Growth Group 2014). The other group was led by Poland and supported by other CEECs, which agreed on a common list of demands (Skjærseth 2015). Their major points were full national sovereignty over the energy mix and the protection of coal, more EU subsidies to modernize energy systems, and a heavier burden on the "rich" EU countries that were arguing for a more ambitious climate policy. Poland also demanded that new climate and energy policies should be made conditional on achievement of a global climate deal in Paris in 2015. The crisis in Ukraine, peaking in March 2014, evoked new security-of-supply concerns that also affected negotiations on the 2030 climate-and-energy framework. Polish Prime Minister Donald Tusk (later president of the European Council) responded by proposing a new EU Energy Union that would have full exploitation of coal and shale-gas resources in Europe as one key pillar.

The Green Growth Group was growing impatient—in the first quarter of 2015, the EU would have to submit its commitment to the international climate negotiations in Paris. In October 2014 the European Council unanimously adopted a detailed repackaging compromise on the 2030 framework, based on a revision of existing 2020 targets and policies. The framework included substantial concessions to Poland and other CEECs: funding to modernize energy systems, the elimination of binding national renewable targets, no new CCS initiatives beyond the continuation of existing funding mechanisms, and recognition that energy security can be bolstered through recourse to indigenous resources, including coal and shale gas. The framework that was adopted included new goals: a 40-percent domestic reduction compared to 1990 levels, 27 percent renewable energy consumption at the EU level, and the indicative target of a 27-percent increase in energy efficiency relative to a business-as-usual scenario. The first paragraph in the conclusions reflected a more active role in EU climate policies from heads of state and governments: the European Council would keep all elements of the framework under review and would continue to provide strategic orientations as appropriate, notably with respect to *consensus* on ETS, non-ETS, interconnections, and energy efficiency (European Council 2014). This paragraph appears

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7. Interviews with Commission staff, January 2016.

to constrain the Commission's room for maneuver and gives Poland and other CEECs greater control over subsequent policy development.

The Energy Union was made a central priority of the Juncker Commission, with new "better-regulation" procedures and a vice president tasked with improving coordination to enable realization of this project (European Commission 2015; European Commission 2016b). Moreover, a commissioner has now been appointed for joint climate *and* energy policy execution. These reforms are likely to improve the coordination of climate and energy policies within the Commission and the EU.[8] The first test will be specific legislation to fill the 2030 framework, yet to be adopted.

The European Council would "revert" to the framework after Paris—indicating that the targets might be adjusted in light of the outcome. The 1.5° C aspirational goal agreed upon in Paris created a "distance" between the Paris Agreement and EU targets based on a reduction of 80–95 percent by 2050, to limit global warming to 2.0° C (Dimitrov 2016; Oberthür 2016). This gap provided the Commission with opportunities to push for more ambitious climate targets (Andresen et al. 2016). In March 2016 the Commission issued the communication *The Road from Paris* (European Commission 2016a), with the key message that the EU 2020 and 2030 targets would remain unchanged. The communication was broadly welcomed in both the Council of Ministers and the European Council, indicating that the Commission had little room for maneuver in strengthening the agreed-upon targets (Council of the European Union 2016; European Council 2016).

Discussion: Commission Leadership Under Differing Conditions

From the 1997 Kyoto Protocol to the 2015 Paris Agreement, the European Commission, with DG Environment and DG Climate Action in the lead, has aimed to exercise climate leadership within the EU.

The types of leadership exercised by the Commission have changed gradually (Table 1). The initiation and creation of the EU ETS showed the Commission's potential as the "engine" of EU climate-policy development. It took the initiative independently, amassed expertise to shape the positions of indifferent and opposing actors, and crafted agreement by mobilizing support among member states, other EU institutions, and nonstate actors: in essence, acting as an entrepreneurial and intellectual leader in making the EU ETS.

The leadership role played by the Commission in crafting the climate-and-energy package for 2020 was markedly different from the initiation of the EU ETS. The Prodi Commission had initially been paralyzed by internal conflicts between climate and energy-security concerns, but the first Barroso Commission managed to rally around a package proposal aimed at combining different

8. Interviews with Commission staff, January 2016.

Table 1

Commission Leadership: Types and Conditions

1997–2004: ETS	Entrepreneurial and intellectual: Shaping positions and crafting agreement	Member-state (MS) asymmetry
		High uncertainty
		Qualified majority
		Impatience
		Internal unity
2005–2008: 2020 Climate-and-Energy Package	Entrepreneurial: Crafting agreement by linking policies	MS asymmetry
		Medium uncertainty
		Unanimity
		Impatience
		Internal diversity initially
2009–2015: 2030 Climate-and-Energy Framework	Increasingly strategic behavior: Repackaging policies in line with MS preferences	MS asymmetry
		Low uncertainty
		Unanimity
		Impatience
		Internal unity

preferences within and outside the Commission. The role played by the Commission qualifies as *entrepreneurial* leadership because of its creative framing and combination of policies so as to give something to all pivotal decision-makers. The climate-and-energy package resulted from the combination of increasingly ambitious member-state governments and Commission leadership.

In the third phase leading up to the 2030 climate-and-energy framework, the Commission's room for maneuver became gradually reduced as a result of growing opposition from the least-ambitious member states. The Commission did not float any new creative or bold ideas, nor did it manage to facilitate a common EU response to new challenges. Instead, it sought to respond to new challenges by "old" means, holding the member states accountable to previous commitments by pushing for stronger policies. Initially this approach resembled efforts at structural leadership. Hampered by setbacks and increasing member-state opposition, its behavior became increasingly strategic. The 2030 climate-and-energy framework and the Energy Union initiative resulted from a compromise between leading and laggard member-state governments and *strategic* behavior on the part of the Commission.

Changing conditions can help explain the Commission's shifting leadership types and levels of influence. First, uncertainty about the (asymmetrical) preferences and solutions of member states appears especially important for

the type of leadership exercised by the Commission. From the first phase, uncertainty decreased gradually as policies became more mature and member states gained experience with implementation. This reduced the Commission's lead in expertise and, consequently, its scope for intellectual leadership in particular. Second, change in the member states' asymmetrical preferences cannot explain different types of Commission leadership, even when distributional consequences are taken into account. Asymmetrical consequences have been leveled out by burden-sharing through skillful crafting of package policies. Third, decision-making procedures are evidently important, but *change* in decision-making procedures can hardly explain the changes in Commission leadership, because the Commission exercised entrepreneurial leadership under requirements of unanimity as well as of qualified majority. Fourth, impatience caused by the international external context in which EU climate policies are developed has been important throughout all phases. Time pressures and impatience caused by the EU's leadership-by-example ambitions in international climate negotiations served to expand the scope for Commission influence. This has not changed and can scarcely explain changes in leadership. Geopolitical energy-security events proved enabling, particularly for the Commission's linking of climate and energy policies in the 2020 package.

Change in unity within the Commission has proved less important than we might expect in explaining its climate leadership. DG Environment and DG Climate Action have consistently preferred ambitious internal climate policies, with other relevant DGs being more or less supportive over time. In addition to improved procedures, internal unity in the Commission has been facilitated mainly by two mechanisms. The first has involved references to the EU's long-standing leadership-by-example ambitions in international climate negotiations, which proved effective in legitimizing increasingly ambitious EU climate policies in all three phases, linked to Kyoto, Copenhagen, and Paris. The second has involved developing package policies that combine differing interests not only among the member-states, but also within the Commission. This proved notably effective when the package for 2020 was crafted by combining policies that spoke to both climate and energy-security concerns, as well as promoting new economic opportunities from low-carbon solutions.

The first phase showed a positive relationship between nearly all of the conditions for successful Commission leadership. Qualified-majority voting procedures, high uncertainty as to member-state preferences and solutions, Commission unity, and impatience caused by the international context—all of these factors facilitated strong intellectual and entrepreneurial leadership on the part of the Commission. Conditions in the second phase were less advantageous: unanimity requirements, asymmetrical member-state preferences based on significant distributional consequences, less uncertainty, and (initially) a divided Commission. Its success during this phase indicates that, in a complex and challenging environment, the Commission also acted as an entrepreneurial climate leader. Conditions became even more difficult in the third

phase, with more distinct asymmetrical member-state preferences and unanimity requirements. These conditions reduced the Commission's scope for leadership.

Across these three phases, the climate-policy role of the Commission can hardly be said to have been in line with liberal-intergovernmentalist expectations. The Commission has consistently pushed for more ambitious climate policies and has successfully initiated new, harmonized EU policies, expanding its competence under challenging conditions. Although this is difficult to verify, EU climate policy would have probably been significantly weaker in the absence of Commission leadership. On the other hand, the role of the Commission has increasingly become more in line with the expectations following from new intergovernmentalism. The Commission has gradually acted strategically, wary of launching new proposals that stand little chance of success, such as CCS and new renewables targets that are binding on member states. The nature of the Commission's climate leadership has gradually shifted in ways that have served to make supranational and intergovernmental conceptions of this role complementary.

Conclusions

The European Commission, with DG Environment and DG Climate Action in the lead, has aimed to exercise leadership by pushing for more ambitious EU-internal climate policies. These efforts have boosted the credibility of the EU's external leadership-by-example ambitions in the international climate negotiations from Kyoto onward. The combination of international cooperation and integration theory has proved useful for distinguishing the types and conditions for supranational leadership. Commission behavior has gradually shifted from entrepreneurial and intellectual leadership toward more strategic behavior, sensitive to differing member-state preferences. Several conditions have proved important for Commission leadership, including decision-making procedures, asymmetry in member-state preferences, and impatience caused by the international context of climate commitments and geopolitical energy events. Changes in the uncertainty of member-state preferences and solutions appear to be the major condition affecting the Commission's scope for leadership. Uncertainty has decreased as EU policies have become more mature and member states have gained experience with implementation. The Commission had the greatest room for leadership in the early stages of the climate-policy cycle. Since that time, its climate leadership has shifted in ways that make supranational and intergovernmental conceptions of the role of supranational actors complementary. This finding underscores the merits of examining Commission leadership and related theories dynamically, in the context of inhibiting or facilitating conditions that may change over time. Shifting leadership may also apply to other issue areas, international organizations, and international (environmental) bureaucracies.

EU climate policy will have to be developed through repeated cycles of policy-making, implementation, and reform if it is to attain the target of decarbonization by 2050. This may lead to a snowball effect, generating positive feedback from implementation and facilitating further steps. On the other hand, the first steps may be the easy ones—and when later attempts are made to tighten up ambitions, the increasing challenges and costs from implementation may provoke greater member-state resistance. In either case, the roles and influence of the member states seem set to increase, and the scope for Commission entrepreneurial leadership, to decrease. As EU long-term climate plans stand now, the challenge of decarbonization lies increasingly with implementation and transformation in the member states.

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Interviews

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