Summary of main findings in good practices in energy and climate governance in EU Member States

21 January 2019

Author: David Donnerer
Contributors: Agnese Ruggiero, Francisco Gonçalves

Background

The EU Energy Union Governance Regulation provides a new governance framework for the EU's 2030 energy and climate objectives. Under the Governance Regulation, EU Member States have to submit their integrated 2030 national energy and climate plans (NECPs) by the end of 2019, in which they will outline their contribution to achieve the collective European targets.

During the NECP drafting process, Member States are required to involve stakeholders such as local and regional authorities (LRAs) and civil society organisations (CSOs) and the broader public in two ways. Firstly, they have to inform the public and provide them with "[…] early and effective opportunities to participate in the preparation of the draft integrated national energy and climate plan" (Art.10, Governance Regulation). Secondly, EU Member States shall set up a so-called "Multilevel climate and energy dialogue" under Art. 11 of the Governance Regulation:

> "Each Member State shall establish a multilevel climate and energy dialogue pursuant to national rules, in which local authorities, civil society organisations, business community, investors and other relevant stakeholders and the general public are able actively to engage and discuss the different scenarios envisaged for energy and climate policies, including for the long term, and review progress, unless it already has a structure which serves the same purpose. Integrated national energy and climate plans may be discussed within the framework of such a dialogue."

LRAs and CSOs are explicitly mentioned among the stakeholders to be involved in the Multilevel climate and energy dialogue in each Member State. One of LIFE PlanUp's key objectives is to facilitate a multi-layer governance framework, i.e. a Multilevel climate and energy dialogue, in the design and delivery of NECPs in the 5 target countries Spain, Italy, Poland, Romania and Hungary. In the project's focus countries, such a dialogue as stipulated by the Governance Regulation doesn't exist yet, and involvement of LRAs and CSOs in preparing and implementing key national energy and climate policies is rare.

In order to strengthen climate and energy governance processes in the 5 target countries through an increased coordination and cooperation between LRAs/CSOs and key national policymakers, LIFE PlanUp has collected good practices in climate and energy governance from 7 EU Member States: France, Estonia, Germany, Luxembourg, Sweden, Ireland and the Netherlands. The main findings drawn from these good practices, which were selected through the qualitative assessment methodology developed by LIFE PlanUp, interviews with key stakeholders (e.g. national policymakers, CSOs, LRAs) and backed up by desk research, aim to support national policymakers in the focus countries in the development and implementation of their Multilevel climate and energy dialogues in the framework of their NECPs. Through this undertaking, the project also seeks to inform these national policymakers about effective public participation processes and provide possible venues for ensuring

the involvement of LRAs and CSOs, thereby increasing public support and ownership in the NECP process and also bridging the disconnect between the local and national level.

Considering national specificities, differences in political and legal nature that exist between EU Member States, and the fact that some of the good practices selected are still in the making and thus require further qualitative assessment in the course of 2019, the LIFE PlanUp project could draw the following main findings:

1) **Political commitment:** A high level of ownership within the public authority in charge and across the political spectrum, is key to ensure the long-term duration of a governance framework that goes beyond political cycles;

2) **Institutional collaboration:** Responsibilities need to be shared in two ways – horizontally, within the public authority in charge, as well as vertically, in a multi-level governance setting with a key role provided for LRAs;

3) **Setting up a dedicated, permanent and legally enshrined structure** provides a stable and effective anchor for a governance framework to function;

4) **Public ownership and support** can be achieved through broad, frequent and fair involvement of the public and all stakeholders, in particular LRAs and CSOs;

5) **Set the right course for action** by allocating sufficient resources, clearly defining the actions to undertake and assigning responsibilities;

6) **Establish transparency** by making documentation and information on the process available to the public in an early and effective manner;

7) **Maintain a high level of adaptability** by including procedures for strategic revision and building the capacity to adjust to changes and challenges;

8) **Ensure effectiveness** by putting in place ambitious and coherent targets, establishing detailed and feasible policies to secure achievement of the targets, and by including a robust monitoring and evaluation process to track progress;

The main findings presented here will be further elaborated on the next pages, and will be illustrated through the good practices in climate and energy governance that were collected and selected from the following 7 EU Member States: the Netherlands, Ireland, Luxembourg, Sweden, Estonia, France and Germany.

1) Political commitment

The likelihood of long-term success of an energy and climate governance framework relies to a large extent on the political backing it receives. Broad political commitment is not only required from the public authority (e.g. high-level political bodies and figures) in charge, but also across political parties. The lack of such political support and ownership can mean that the governance framework may not survive beyond a political cycle, such as when a new Government is voted into power.

There is not a one-size-fits-all solution in order to obtain the political commitment needed, but some of the good practices analysed by LIFE PlanUp outline different ways that can be successful.

In Sweden for example, the Government instructed the Cross-Party Committee on Environmental Objectives to examine how a new long-term climate policy framework could be designed. The Cross-Party Committee, composed of Members of Parliament from each party and experts from a wide range of stakeholders and Ministries, then developed a proposal that was adopted with a large majority in the Parliament. Having all parties on board in the creation of the climate policy framework was crucial in gathering broad support across the political spectrum.

Similarly in Germany, cross-party development of governance frameworks has resulted in high political commitment for climate and energy action from political parties and the highest levels of Government. The legislative provisions relating to the *Energiewende* in 2011 for example were approved by almost all parties in Parliament at that time.

For Germany's 2050 climate action plan, which was adopted in 2016, the ruling Grand Coalition of Conservatives and Social Democrats opted this time for a different approach to secure political commitment. The Grand Coalition Government organised an unprecedented consultation process with all stakeholders prior to proposing its long-term climate action plan, but did not involve the Parliament in the conception. The consultation stimulated public debate and awareness on the country's long-term climate and energy policies. However, by bypassing the Parliament in the initial process, the Grand Coalition Government missed out on the opportunity to gain broader political support for the 2050 climate action plan.

A critical lesson learnt from the German example was that not only stakeholders, but also key institutions such as the Parliament need to have a say in the design of national climate and energy planning, in order to ensure a strong political backing for it.

2) Institutional collaboration

The degree of cooperation between governance levels – national, regional and local – in a multi-governance setting has the potential to amplify the impact of energy and climate governance frameworks. Close coordination and alignment between the different governance tiers can enable Governments to develop and implement more effective and robust policies. Oftentimes, as national policymakers are drawing up new national strategies and action plans, they can be unaware of the contribution local and regional authorities can bring in terms of energy and climate action.
Equally important in this regard, is the way in which the public authority in charge efficiently divides responsibilities among different entities, such as between Ministries (e.g. energy, environment, finance, etc.) and agencies, in a governance framework.

Examples from Luxembourg and Estonia show how this institutional collaboration can work, through a model of multi-level governance as well as through inter-institutional collaboration, within an energy and climate governance framework.

In Luxembourg, the Government has recognised the strategic role of local authorities in supporting national energy and climate action efforts by adopting in 2012/13 a Law establishing a "climate pact" between the State and its municipalities. Under the Luxembourgish climate pact, all municipalities in the country have since then committed to take action to reduce their GHG emissions, increase energy efficiency and track their progress in a transparent way through the European Energy Award quality control system. In return, the national Government supports the municipalities with critical financial and technical assistance in the process.

Estonia implemented a well-functioning inter-institutional cooperation in the creation of its landmark 2050 general principles of climate policy. While the Ministry of Environment led the country's unprecedented consultation process with a wide range of stakeholders to gather input for the 2050 strategy, it did not undertake this coordination effort alone, but provided several other Ministries, bodies and also the Estonian Parliament with a key role. Ministries, such as the Ministry of Economic Affairs and Communications or the Ministry of Rural Affairs, were also coordinating the 5 sectorial working groups (energy & industry, forestry & land use, waste management, transport, agriculture) with stakeholders to draw up propositions for the 2050 strategy. Other Ministries, such as the Finance Ministry or the Ministry for Education & Research, provided counselling and made strategic decisions through their participation in the Steering Committee. The 2050 strategy proposed by the Ministry of Environment was then approved without major changes by all Ministries, before its adoption in the Parliament.

An important lesson learnt from the Estonian experience is that Ministries need to quickly define and divide responsibilities among each other, in order to set the right framework to coordinate the consultation process with stakeholders in an effective and timely manner.

3) Setting up a dedicated, permanent and legally enshrined structure

The robustness of an energy and climate governance framework benefits from the establishment of a dedicated, permanent and legally enshrined structure, such as for example an advisory body, a Committee or a Secretariat. Such a governance structure can not only act as stable and effective anchor for the overall framework to operate, but can also assume key functions as e.g. facilitating input from stakeholders in the debate, provide expertise or track progress made.

In several of the good practices analysed, these vital governance structures were set up with different mandates and legal statute. In Ireland for example, the Department of Communications, Climate Action & Environment has funded a dedicated Secretariat within the country's Environmental Protection Agency to manage the ongoing National Dialogue on Climate Action. Implementation of the Dialogue is also supported by a 15-person advisory group, which involves representatives from LRAs and CSOs.

France established a general Secretariat for the operational organization of its 2013 National Debate on the energy transition, which provided key input to the Law on the energy transition adopted in 2015. Following the National Debate, the country also put in place a new permanent representative stakeholder body, the National Council for the Ecological Transition, which now acts as a consultative commission to support and oversee the progress of the energy transition in France.

Similarly, Sweden also set up a Secretariat to support the Cross-Party Committee on Environmental Objectives in coordinating the contribution of stakeholders to the country's new long-term climate policy framework. In order to ensure the effective implementation of the framework, Sweden has established a Climate Policy Council, composed of scientific experts. The Climate Policy Council is tasked with evaluating progress, by providing independent assessments of whether the country is moving in the right direction in the delivery of the goals set in the framework.

Finally, the Netherlands is relying on a dedicated Climate Council to manage and coordinate its ongoing large-scale negotiation and debate process with stakeholders to reach a new National Climate Agreement in 2019. The Dutch Climate Council consists of representatives from the Ministry of Economic Affairs and Climate, CSOs, LRAs, business and the chairs of the 5 sectorial roundtables (electricity, built environment, mobility, industry, agriculture & land use) in which the negotiations and debates with all stakeholders are being held.

A key lesson drawn from these good practices was that the set-up of a dedicated, permanent and legally enshrined structure, has to be provided with the necessary means, both in terms of human and financial resources, in order to be able to properly assume and carry out its assigned functions.

4) Public ownership and support

While political commitment is key for the success of energy and climate governance frameworks, engaging and involving stakeholders and the public in the development and implementation of such frameworks is equally crucial. Enabling the broad, frequent and fair involvement of the public and all stakeholders, in particular LRAs and CSOs, fosters public ownership and support.

Furthermore, this ownership and support can be further strengthened by including their views and inputs in the process of designing and delivering an energy and climate governance framework.

Achieving ownership and support by stakeholders and the public can be done in different ways, as several of the good practices demonstrate. In the Netherlands, the negotiations and debate on the new National Climate Agreement with all stakeholders are being conducted in the 5 sectorial roundtables and several sub-tables, in which all parties involved – from CSOs, LRAs to industry and businesses – can provide their inputs on a level playing field.

The Dutch Ministry of Economic Affairs and Climate, which is leading the process, is listening to all players equally and taking their views seriously. Following the Dutch consensus-based *Polder model*, the Ministry seeks the approval and buy-in from all stakeholders involved for the Climate Agreement, in order to consider it as a success where each party could get something out of it.

In the Swedish participatory process to draw up its new long-term climate policy framework, strong engagement and involvement of stakeholders and the public were firstly ensured through the set-up of the Cross-Party Committee on Environmental Objectives. There was a balance of representation in the Committee between CSOs, LRAs, industry and other stakeholders, and fair, open and constructive discussions were held between the stakeholders and the Parliamentarians.

The inputs and views of stakeholders were then integrated in the Committee's proposal for the long-term climate policy framework, and the general public had the extensive opportunity to comment on and contribute to the proposal through a broad public consultation.

A critical lesson drawn in this regard is that the right balance needs to be struck in the moderation of exchanges with and among stakeholders, especially when some stakeholders such as CSOs cannot bring the same amount of resources to the table as e.g. industry or business associations. Furthermore, formats promoting real debates with and among all stakeholders stand a higher chance of fostering public ownership and support, instead of meetings where stakeholders can only voice their opinions one after another.

5) Set the right course for action

Apart from the more political parameters mentioned before, an energy and climate governance framework also requires the necessary means in order to succeed in its development and implementation. Through the allocation of sufficient resources, a clear definition of the actions to undertake and a clear division of responsibilities, the right course for action can be established for a framework to function.

In Luxembourg for example, the Ministry of Sustainable Development and Infrastructure, which is in charge of implementing the State's climate pact with municipalities, has mandated the national energy agency *myenergy* to manage and implement the climate pact. *myenergy* has not only been equipped with the required staff and funding in order to fulfil this task, but has also received a clear definition of its responsibilities and the actions it needs to deliver under its mandate.

In Germany, the Federal Environment Ministry was in charge of preparing the 2050 climate action plan. The Ministry dedicated significant resources to organising the country's unprecedented stakeholder consultation process for the development of the plan. Over one and a half years, the Ministry reached out to all stakeholder groups to develop a catalogue of climate measures, through a series of meetings, dialogues and working groups. Furthermore, close to 500 citizens, out of 76 000 contacted, representing the cross-section of Germany's population, were solicited to take part in the stakeholder consultation.

6) Establish transparency

Providing documentation and information in an early and effective manner during the process of designing and implementing energy and climate governance frameworks, is critical insofar as it strengthens trust and credibility of the frameworks. Moreover, establishing this transparency and openness provides stakeholders and the general public with a fair opportunity to provide their views and inputs.

In its stakeholder consultation process for its 2050 general principles of climate policy, the Estonian Ministry of Environment ensured that the process was open, transparent and well documented throughout its duration. The Ministry has e.g. published all minutes from each gathering of the 5 sectorial working groups on its website.

Similarly, the Irish Department of Communications, Climate Action & Environment is consistently providing documentation on the country's ongoing National Dialogue on Climate Action on its website. Stakeholders and the public also receive information in an early and effective manner about the regional gatherings organised under the National Dialogue.

In France, transparency was continuously ensured throughout the country's broad consultation process for its 2015 Law on the energy transition.

7) Maintain a high level of adaptability

Whether an energy and climate governance framework is robust, also depends on its ability to adapt. Unforeseen changes and challenges, be they endogenous or exogenous, can hamper a governance framework's potential to steer the energy transition over the long term. It is therefore critical to include procedures for strategic revision in any energy and climate governance framework, and also to build its capacity to adjust to these changes and challenges.

Ireland's ongoing National Dialogue on Climate Action is being implemented under a rolling annual work programme, which is updated every year in consultation with the advisory group and approved by the Minister for Communications, Climate Action & Environment. Apart from this procedure for strategic revision, the Irish Dialogue is also highly adaptable due to its co-creation agenda. It is a constantly evolving instrument, as the input gathered from stakeholders at the regional gatherings continuously feeds into the roll-out of its structures, events and information flows.

The current negotiations and debate in the Netherlands to reach a new National Climate Agreement are also characterized by a high level of adaptability. While the basic configuration of the 5 sectorial roundtables remains, the process is otherwise flexible. For example, several sub-tables were set up or other formats, such as regional cluster tables, discontinued, once they had completed their task. Furthermore, the proposed plans put forward by the 5 sectorial roundtables are analysed by the Dutch Planning Bureau, which calculates whether the plans are feasible and add up to the overall energy and climate targets of the Netherlands.

Also in Luxembourg, the State's climate pact with municipalities is not a static governance framework, but has undergone key strategic revisions in order to better support municipalities in tackling new changes and challenges, such as air quality and the circular economy since 2018.

8) Ensure effectiveness

An energy and climate governance framework may look ideal on paper, but could still not deliver in the implementation. In order ensure a framework's effectiveness, three key components are required: ambitious and coherent targets, detailed and feasible policies to secure the achievement of the targets, and finally, a robust monitoring and evaluation process that enables to track progress and tackle gaps in the implementation.

France stands out among the good practices analysed in terms of effectiveness of its governance framework. Its 2015 Law on the energy transition includes ambitious and coherent targets, with clear intermediary milestones and supporting objectives that can be adapted over time, detailed and feasible policies to implement the targets (e.g.

carbon tax, regular creation of policy action plans) as well as a thorough, albeit complex monitoring and evaluation process.

Germany has taken a different approach – by commissioning an independent evaluation of the consultation process it conducted for its 2050 climate action plan. The external evaluation revealed important lessons about the process, which the Federal Government seeks to remedy in the organization of its future consultations. Germany is also set to propose by early 2019 detailed and feasible policies, in order to achieve its intermediate 2030 and 2050 long-term targets.

While the Estonian 2050 general principles of climate policy have a strong analytical base and contain sectorial guidelines and principles, it does not go into detail in terms of policies and measures to achieve its long-term target of reducing GHG emissions by 80%. However, the reporting process foreseen as of 2019 obliges the Government to report every 4 years to the Parliament on the implementation of the 2050 general principles of climate policy. Furthermore, a review and update of the document is also planned in the same time interval, which will take into account significant changes in EU and international climate ambitions and technological developments.

References

De Ingenieur, *Main concepts of Dutch climate agreement announced*, July 2018, accessed at: https://www.deingenieur.nl/artikel/main-concepts-of-dutch-climate-agreement-announced

Duwe, Matthias et al., *"Paris compatible" governance: long-term policy frameworks to drive transformational change – a comparative analysis of national & sub-national case studies*, Ecologic Institute, November 2017, accessed at: https://www.ecologic.eu/sites/files/publication/2018/2138-governance-to-fight-climate-change-112018_0.pdf

Estonian Ministry of Environment, *Kliimapoliitika põhialused aastani 2050*, March 2018, accessed at: http://www.envir.ee/et/eesmargid-tegevused/kliima/kliimapoliitika-pohialused-aastani-2050-0

Estonian Parliament, *Resolution of the Riigikogu: General Principles of Climate Policy until 2050*, April 2017, accessed at: https://www.envir.ee/sites/default/files/low_carbon_strategy_until_2050.pdf

German Federal Ministry of Environment, *Klimaschutzplan 2050: Klimaschutzpolitische Grundsaetze und Ziele der Bundesregierung*, November 2016, accessed at: https://www.bmu.de/fileadmin/Daten_BMU/Download_PDF/Klimaschutz/klimaschutzplan_2050_bf.pdf

German Federal Ministry of Environment, *Der Klimaschutzplan 2050: Die deutsche Klimaschutzlangfriststrategie*, October 2017, accessed at: https://www.bmu.de/themen/klima-energie/klimaschutz/nationale-klimapolitik/klimaschutzplan-2050/#c8419

Irish Department of Communications, Climate Action & Environment, *National Dialogue on Climate Action*, 2018, accessed at: https://www.dccae.gov.ie/en-ie/climate-action/topics/national-dialogue-on-climate-action/Pages/default.aspx

Journal officiel du Grand-Duché de Luxembourg, *Loi du 13 septembre 2012 portant création d'un pacte climat avec les communes,* September 2012, accessed at: http://legilux.public.lu/eli/etat/leg/loi/2012/09/13/n1/jo

Klimaatakkoord, 2018, accessed at: https://www.klimaatakkoord.nl/

Legifrance, *Loi du 17 août 2015 relative à la transition énergétique pour la croissance verte*, August 2015, accessed at : https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000031044385

LIFE Maximiser project, *A Climate for the future: Assessing EU Member States' Low-Carbon Development Strategies and lessons for Energy Union governance – An update, the outlook in October 2017*, December 2017, accessed at: https://static1.squarespace.com/static/57050297356fb0e173a11732/t/5a26c00471c10b352cd578cd/1512489045881/WWF_LCDS_DEC2017.pdf

Pacte Climat, 2018, accessed at: http://www.pacteclimat.lu/fr

Ruedinger, Andreas, *Best practices and challenges for effective climate governance frameworks: A case study on the French experience,* IDDRI, May 2018, accessed at: https://www.iddri.org/sites/default/files/PDF/Publications/Catalogue%20Iddri/Etude/201805-IddriStudy0318-ClimateGovernanceFrance-EN.pdf

Swedish Ministry of the Environment and Energy, *The Swedish climate policy framework*, March 2018, accessed at: https://www.government.se/information-material/2018/03/the-swedish-climate-policy-framework/

Interviews & Correspondences were conducted with representatives from:
City of Delft
City of Rakvere
City of Växjö
CLER – Réseau pour la transition énergétique
Cork County Council
Estonian Fund for Nature
Estonian Ministry of the Environment
Friends of the Irish Environment
German Federal Ministry of Environment
Germanwatch
Irish Department of Communications, Climate Action & Environment
Irish Environmental Protection Agency
Luxembourgish Ministry of Sustainable Development and Infrastructure
myenergy
Natuur en Milieu
Permanent Representation of Germany to the EU
Réseau Action Climat France
Swedish Ministry of the Environment and Energy
The Swedish Society for Nature Conservation

for strong and inclusive energy and climate plans

planUp.eu