# Interest groups and the European Green Deal:

An analysis of strategies used to influence

European climate policy

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# **Abstract**

As sea levels are rising and weather events are becoming more extreme, globally an increased call for action against climate change can be observed. On December 11th 2019 the European Commission introduced their plans for a European Green Deal. It is a package of legislation ranging through all relevant policy areas to enshrine climate neutrality, arrange the transition fairly and set more ambitious emission targets than earlier strategies. The European Green Deal targets to reduce emissions by at least 50% by 2030, which is currently set for 2050. It is the most ambitious climate policy of its scope in the world, and therefore understanding how this policy was formed can provide valuable lessons for other parts of the world attempting to do the same. During the creation of European Green Deal different groups try to influence the policy in their favour. This study aims to illustrate what interests groups are trying to achieve, and how they act, as this furthers our understanding of how climate policy is formed. Understanding this creates a deeper understanding of how the European Union will attempt to combat climate change and what the challenges ahead are. That is why this project aims to answer the research question: How do European Green Deal interest groups attempt to influence the policy process?

How the European Green Deal should be financed one of the major policy fights, both between member states and within the political groupings of the European Parliament. Between countries, there is the question on whether funding should prioritise poorer member states, member states that have historically emitted less carbon, or whether the burden should be carried by everyone equally. In European Parliament right-wing parties argue for less spending whereas left parties argue for increased public spending to protect poorer citizens against increased energy costs and job losses. Energy security is another major field of conflict, with some countries afraid that by turning away from fossil fuels they become to dependent on Russian gas. To overcome this the European Green Deal could increasing connectivity, allow nuclear power generation or accept lower emission targets from these member states, which could increase the costs or threaten the Green New Deal altogether. Combined with questions about how the Green New Deal will be funded, what financial reforms have to be made and the overall emission targets shows that there is plenty of room in the green deal for interest groups to make a difference.

This paper uses case studies to illustrate how different categories of interest groups act in the policy arena. A key concept in this paper is the difference between outside lobbyism and inside lobbyism, where the former is much more public. Inside lobbying is defined by how much "direct access", defined as face-to-face meetings, groups have with policy makers. Outside lobbying is the attempt to influence the public sphere through means of media publications, and devoting resources to drawing attention to the policy debate. Economic interests are more inclined to focus on inside lobbying, as they have little need to convince the general population of a certain policy. Governmental institutional interests can use both methods. Within the EU, public and governmental institutional interests tend to be very transparent as these are subject to scrutiny by national parliaments. A major caveat in these distinction are that it cannot study non-associational interests in climate change policy, which have expanded rapidly in the last few years. Especially Gretta Thunberg's initiative Fridays For Future has been very successful in creating public support for further action against climate change.

The World Wildlife Fund is a public interest group that lobbies mostly using outside lobbyism, through a very active media campaign and using grassroots activism for gathering public attention to the issue. Business Europe is a economic interest group that focuses much more on inside lobbyism such as meetings with high-ranking officials and public consultations. The results show that with an increasing prominence of climate change policy, Business Europe also took on an increased interest in inside lobbying. At the same time, they are much less visible in the public sphere than the WWF. This can be attributed to more internal division within the organization which forces it to take less extreme positions to avoid alienating its membership, whereas the WWF's membership is much more united. The World Wildlife Fund attracts almost exclusively members who are interested in combatting climate change and protecting wildlife, so they tend to be able to take extreme positions on climate change policy without fear of losing members. The Polish government is a good example of a very active governmental institutional group. They adapt a very public outside lobbyism strategy in their own country and an inside lobbyism strategy in the European Council aimed at weakening emission targets.

# Introduction

Europe's ambition to improve environmental policymaking is not new. It dates back to 1990s when the European Union (EU) initiated environmental taxation (Delbeke & Vis. 2016). As the temperatures increased, climate calamities intensified and sea-levels rose, the EU has acknowledged the dangers and consequences of climate change and started changing its policies to account for it. The union's efforts led to the 2018 introduction of its long-term climate-neutral Europe 2050 strategy named 'A clean planet for all' (European Commission, A Clean Planet for All, A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy, 2018). This strategy aims for zero greenhouse emissions by 2050 and progress on renewable energy in line with the Paris Agreement and Sustainable Development Goals (ibid). Climate-neutral Europe 2050 strategy was proposed under the Presidentship of European Commission, Jean Claude Juncker. This strategy was never approved by the European Council during Juncker's term, due to continued resistance from fossil fuel-dependent member states. During the meeting of December 12th 2019, the 2050 zero-emission targets were approved by the European Council, while excluding Poland from the targets that apply to the other Member States.

Despite the difficulties in adopting zero-emission targets, new Commission President Ursula von der Leyen has higher ambitions on climate-neutral Europe than her predecessor. She has made 'A European Green Deal' the "foundation stone" of her presidency of the European Commission, with concrete proposals expected to come within the first 100 days of her presidency (Morgan, 2019). The European Green Deal is a package of legislation addressing all relevant policy areas to achieve climate neutrality, arrange the transition fairly and set more ambitious emission targets than Juncker's 2018 strategy (von der Leyen, 2019). The European Green Deal targets to reduce emissions by at least 50% by 2030, which is currently set for 2050 (ibid). The political guidelines on the European Green Deal also include an extended emissions trading system, a carbon custom tax and a new industrial strategy, which prioritises the circular economy and includes a trillion Euros of investment over the next decade (ibid). Apart from this, the European Green Deal will also include a biodiversity strategy for 2030, which aims for sustainable agricultural practices.

It is clear that the European Union wants to take ambitious action vis-á-vis climate change, but the creation of this policy lacks transparency to the public. The Commission is mandated to create the legislation, which the European Parliament and the European Council then can approve or reject. Moreover, while the European Commission uses interinstitutional discussions and pubic consultations to inform its policy, the policy will still be a product from its internal bureaucracy. Because this is potentially the most transformative legislation that the European Union has created in its existence, we set out to explore how this policy is created and who impacts it. For the future of the European Union, it is incredibly relevant to know how the fossil-fuel industry attempts to impact the final proposal and how NGOs that want far-reaching climate reforms to achieve their goal.

#### **Research Question**

This paper does not aim to claim causality between goals of certain interest groups and the final Green Deal, nor does it attempt to analyse to the discourse surrounding climate change. While measuring how effective interest groups are at including their policy proposals into the Green Deal would be very relevant, this is not within the means of this project. It is unlikely that any research paper will be able to do so during the current term of the European Commission, as that information is politically sensitive and therefore extremely confidential. However, when commissioners and heads of state retire and internal documents of the commission are accessible it becomes possible to actually establish causality. Analysing the discourse surrounding the European Green Deal would be another scope of the project, however a lot of analysis on climate change discourse has already been performed. While it is an important piece of the puzzle a lot less research has been done on stakeholder involvement in the Green Deal, and only analysing how the discourse plays out in public fails to explain the real policy discussions taking place away from public eyes. This distinction is introduced later in the paper as the difference between outside and inside lobbying. An analysis into both and how they are used by different stakeholders therefore not only provides case studies adding to existing knowledge on the European policy process, but also adds another piece in understanding how climate policy is formed. That is why this project aims to answer the research question: How do interest groups attempt to influence the policy process of the European Green Deal?

This paper first introduces the state of affairs on climate policy by outlining the agendasetting surrounding the European Green Deal. Then it zooms in on financing and energy security, which are main issues under contention in the decision making process. This section not only provides context to the analysis but also establishes the policy fights that interest groups try to influence. Following this, the methodology section introduces the academic base for the analysis by outlining different interest organisations and types of lobbying; followed by the case selection. The analysis first explores the stakeholders selected and analyses what strategies they use to shape the policy process. This analysis creates a comprehensive overview of the discussions surrounding the European Green Deal and answers what strategies are employed by stakeholders to impact the final proposal. The conclusion summarises the findings of the different organisations and introduces possible explanations based on our findings. This paper finishes with a discussion of the relevance of the findings, what we expect going forward in the process and what further research can focus on.

# **Overview of the Green Deal Policy Process**

## Agenda-setting

The history of the climate debate in the EU is important to understand the scope of the policy debate on the Green Deal. The European Commission started taking action on climate change after the release of the first report by the International Panel on Climate Change in 1990. At the time, commission did not specify the measures to reduce emissions of GHGs and coordinated policies and measure (Hub, 2014). With the introduction of Specific Actions for Vigorous Energy Efficiency (SAVE) programme, the EU promoted the implementation of energy efficiency policies in 1992. This was further encouraged with focus on targets set on renewable energy supply and biofuels. After the Kyoto summit of 1997, the EU was committed to the reduction of GHGs with market-based mechanisms to implement the reduction targets¹. However, the climate policy focuses only on GHG, renewable energies and energy efficiency (ibid).

In 2007, the European Union initiated climate and energy targets for the year 2020 which can be taken as the road map for 2018 climate-neutral strategy (EC, Citizens summary, EU climate and energy package, 2008). This was an ambitious plan but the rising academic and political consensus on climate change and the 2015 Paris agreement gave the European Commission an opportunity to explore further targets. In 2015, EU

<sup>&</sup>lt;sup>1</sup> Market-based mechanisms includes international emissions trading, the clean development mechanism and joint implementation. For more, please visit https://climatepolicyinfohub.eu/eu-emissions-trading-system-introduction

introduced an energy union strategy that focused on energy security by building an energy union that gives 'EU consumers – households and businesses, a secure, sustainable, competitive and affordable energy' (EC, Building the energy union, 2017). With this success on climate action, raising awareness and support from the general public, the commission adopted the 'clean planet for all' strategy that aims for a 'prosperous, modern, competitive and climate neutral economy' by 2050 in 2018. This strategy aims to reduce GHG emissions of EU to net-zero by 2050, increase energy efficiency, develop circular economy, technological advancement and socially fair transition among many others with set milestones for 2030 and 2040.

However, calls for further climate action resulted in the European Green Deal, a comprehensive set of climate-related policies. The concept of a European Green Deal is taken from the Green New Deal discourse popularised in the United States by Alexandria Ocasio-Cortez and was first introduced by New York Times columnist Thomas Friedman in 2007, although it can be argued that Barack Obama introduced the first comprehensive climate change policy in the country (Friedman, 2007; Roberts, 2019). In Europe, a comprehensive climate policy has been a centrepiece of the European Greens since its inception, as shown by research from the Wuppertal Institute (Roberts, 2019; Wuppertal Institute, 2019)

The European Green Deal is supposed to answer that call, a comprehensive climate-neutral vision presented by new Commission President Ursula von der Leyen. The European Green Deal includes highly ambitious vision on climate change management with a pledge to reduce Europe's carbon emissions by at least 50% by 2030 which currently aims for 40%, a just transition with the circular economy, a sustainable Europe investment plan and preservation of the environment (von der Leyen, 2019). Critics and member states doubt the feasibility of this highly ambitious plan and investment required for just transition of states who are heavily relied on coal and petroleums. Introduced by von der Leyen on December 11th 2019, the European Green Deal now enters legislative procedures in the European Parliament and the Council, which marks the end of the agenda setting stage and the start of the policy battles in the decision making stage. The main battles are expected to be the financing and the energy security implications of emission targets, which is explained in the following two sections.

# **Financing**

The European Commission's plan on climate neutrality and transformation requires a tremendous amount of financial resources. It is estimated that €379 billion each year is needed over the period of 2020-30 to meet EU's energy targets set by European Union Strategy mainly in energy efficiency, renewable energy sources and infrastructure (Pellering-Carlin, Vinois, Rubio, & Fernandes, 2017). This estimated cost is already higher than the formulated cost by the Commission. With the European Green Deal plan on the table, the cost is set to rise with higher emission targets. Constraints are increasing with low interest rates, lower private investment and member states limited budgetary margin of manoeuvre (ibid). Finance is considered a major challenge for European Green Deal with its limited budgets and increasing member states dissatisfaction over costs. It is expected that the European Green Deal will seek for €1 trillion in support of the European Investment Bank which plans to generate funds from private and public sources over the coming decades (Diermann & Beetz, 2019). With this, both the consumers and produces are engaged in making the European Green deal a success. However, the estimate of €2.6 trillion needed over the next decade leads to skepticism and hesitance on the commitment on climate goals (WWF, 2019). The Commission also plans in €100 billion 'Just Transition Fund' investment aiming smooth transitions and support for member states towards a green technology and economy (24, 2019). The funds will be largely taken from EU's regional policy budget and the EIB. The European Climate Bank is another idea that president Leyen has brought up during her first Green Deal discussion (ibid).

How this investment will be distributed is a major battle ground, both between member states and within the political groupings of the European Parliament. Between Member States, there is the question on whether funding should prioritise poorer member states, member states that have historically emitted less carbon, or whether the burden should be carried by everyone equally. As a result, the debate of financing the Green Deal in the Council is often a distributive issue, with every country fighting for funding for its own industries and regions. In European Parliament the fight plays out along the traditional left-right cleavage of economics, with right-wing parties arguing for less redistribution to poorer citizens whereas left parties argue for increased public spending to insulate poorer citizens against increased energy costs and job losses.

## **Energy Security**

The Energy security discussion is much more focused on national interests and is an issue for the European Council as national security remains a competency mainly reserved for

the member states. The International Energy Agency (IEA) defines energy security as "the uninterrupted availability of energy sources at an affordable price" (IEA, p. 2019). IEA categorises energy security in the long term, and short-term dimensions where long term deals with timely investments to supply energy and short terms focus on the management of changes in supply-demand balance (ibid). The European Union sees energy security as an integral part of its energy union strategy (EC, Energy: Overview, 2019). The EU countries have directed their energy policies to incorporate security of supply as a required element and determined to rule out politically motivated energy disruptions and risk associated with it. EU seeks strong solidarity and regional cooperation in dealing with national and international challenges². At present EU imports 55% of all energy. This includes a high percentage of crude oil, natural gas and reliable fossil fuels that amount to €266 billion per year (ibid)³. This shows the dependence of EU on energy imports with with Russia as a major importing partner.. While some member states see this as a direct national security threat, other countries are less involved in acting against this dependence.

The 2009 and 2014 political crisis in Ukraine forced the Commission to adapt an energy security strategy acknowledging the importance of stable and abundant supply (EC, European Energy Security Strategy, 2014). The commission initiated the European energy security strategy which opted for short-term and long-term measures in dealing with energy security at the same time assisting EU climate goals. Currently, the EU is the only major economic actor to produce 50% of electricity without greenhouse emission and aims for a higher percentage (ibid). The EU sees energy security as an integral part which cannot be separated from its move towards a competitive, low-carbon economy which reduces the use of move to imported fossils fuels. With the 2030 policy framework on climate and energy, the EU wants to tackle climate change and energy security simultaneously. The production of renewable energy within the EU is also increasing.

However, it might not be able to meet the goals of the ambitious 'climate-neutral' strategy or the highly ambitious 'European Green Deal'. Furthermore, countries like Poland, Hungary, Estonia and the Czech Republic have not accepted the EU climate-neutral strategy over the transition cost from coal to renewable energy development (Morgan,

<sup>&</sup>lt;sup>2</sup> National and international challenges include extreme weather, industrial hazards, cyberattacks, terrorism and hybrid threats as mentioned by the European Commission.

<sup>&</sup>lt;sup>3</sup> Energy also makes up around 15% of total EU imports.

2019). The European energy security strategy is taken as an integral part of the EU's climate and energy framework. The long-term plan of the strategy is to 'prepare and implement long-term plans for competitive secure and sustainable energy' (EC, European Energy Security Strategy, 2014).

Some member states remain highly skeptical that energy security is not affected by reducing the use of fossil fuels, which they see as a high-priority issue. To overcome this, the European Green Deal would have to account for the energy supply of those countries by for example increasing connectivity, allowing nuclear power generation or accepting lower emission targets from these member states. Combined with questions about how the Green New Deal will be funded and what the overall emission targets should be, this shows how the discussion has multiple layers and arenas. Now this paper delves into how stakeholders try to influence this discussion.

# Lobbyism in the EU

#### **Academic Discussion**

In this paper different forms of interest groups are analysed. To define them and allow an analysis of similarities and differences, this paper uses the definitions provided by the Encyclopaedia Britannica (2019). Britannica distinguishes between economic interests, cause groups, public interest groups, public and private institutional interests and governmental institutional interests (ibid). Next to that, Britannica also notes the role that non-associational groups that lack formal organization or permanent structure can play, which is an important part of the climate movement. Both the inclusion of non-associational groups in the categorisation and the overall comprehensiveness are the reasons this paper uses these definitions. Business Europe and other business associations are economic interest groups, who are defined to prioritise the economic interests of their members above anything else. Cause groups are groups whose primary purpose is noneconomic, which includes NGOs ranging from single-issue groups to broad organisations like the World Wildlife Fund. In the European Union, the member states act according to governmental institutional interests, both with formal standing in the European Council and informal influence in Commission and the European Parliament.

De Brucker and Beyers (2019) and O'Mahony (2006) also studied interest groups and have made contributions important for this analysis. In European Union policy studies, De Bruckers and Beyers mainly focus on the distinction between outside lobbying and inside lobbying. Inside lobbying is defined by how much "direct access", defined as face-to-face meetings, groups have with policy makers; outside lobbying is the attempt to influence the public sphere through means of media publications, and devoting resources to drawing attention to the policy debate. They claim that economic interests and private institutional interests are more inclined to focus on inside lobbying, as they have little need to convince the general population of a certain policy. Dür (2008) has developed a framework in which to quantify influence through mapping out different pathways and allocating values to them, allowing to quantifiably compare them. And while Dür is by far the most cited author, this paper couldn't conduct a similar analysis because the final outcome is not known yet. As a result, using de Brucker and Beyers (2019) model of inside and outside lobbying provides an opportunity to already analyse the ways influence groups try to influence the policy.

Within the EU, public and governmental institutional interests tend to be very transparent as these are subject to scrutiny by national parliaments. De Bruckers and Breyers make the point that not every national parliament takes this responsibility equally serious, and that to some extend European Council meetings are intransparent. However, because national ministers are eager to share their positions and conflicts in the European arena with their own constituents, one can reasonably state that governmental institutional interests apply both to inside and outside lobbying. At the same time, the Alliance for Lobbying Transparency and Ethics Regulation (2016) has noted how country offices in Brussels do a poor job regulating their meetings in a transparent matter, muddling the view on governmental institutional interests.

O'Mahony (2006) describes what strategies a public interest group like the World Wildlife Fund can employ, highlighting how their goals are different from cause groups, which are organisations that are focused on a single issue. Cause groups tend to have more internal cohesion than public interest groups because they exist to promote one position only, and only attract members supporting that goal. The opposite is true for economic interests, public interests and public and private institutional interests and governmental institutional interests, which have a more or less fixed membership and have to compromise within the interest group to find common positions. The internal political cohesion of the group

therefore is an important factor in how clearly defined and extreme positions a group can take.

#### Case selection

There is a multitude of interest groups in the European climate policy sphere. In order to keep the analysis succinct and allow for comparison, this paper had to make a selection in which cases to analyse. A large majority of public interest groups and cause groups are in favour of far-reaching climate policy, which includes well known international organisations like the World Wildlife Fund and Greenpeace, but also smaller national public interest groups and groups that have formed to focus on European climate policy exclusively. Significant exceptions to this are religious groups and cause groups that oppose climate action, however there is less interest in the general population to fight against climate change outside of the regular election behaviour. Religious public interest groups put little efforts in the climate change debate, which can reflect a preference to focus on mobilising their members on issues such as abortion and minority rights (Dür, 2008). Out of the organisations in this category, the World Wildlife Fund is the best organization to analyse. Not only is it the largest organization in terms of staff allocated to EU affairs, but the policy positions of the organisation are presented very transparently to the public making it an excellent example of a public interest group attempting to influence the public sphere and conducting outside lobbyism (lobbyfacts.eu, 2019). While selecting the biggest organization might not necessarily lead to findings that are the same for smaller organisations, it is the most likely case to show extensive efforts in lobbyism and therefore display strategies.

Opposition to far-reaching climate policy in the European Union therefore mainly comes from economic interests. These groups include business associations, labor organisations of mining companies and agricultural organisations. For example, vocal opponents of anticoal measures have been Euromines, the European Association of Mining Industry, Metal Ores & Industrial Minerals and the labor organisations of coal miners in different European member states (Dür, 2008). Some other organisations, such as Business Europe, have accepted the need for a European Green Deal and attempt to influence the policy in a way that is beneficial for their member organisations. Interesting cases here are the European Renewable Energy Council, the European Renewable Energies Federation and the European Wind Energy Association (ibid). All these organisations want to further increase decarbonisation targets of the European Union, while at the same time attempting to secure increased funding for their specific fields and organisations. Business Europe, a

confederation of national industry and employers organisations, has an interesting mixture in its membership of organisations whose interest is to extend or decrease the scope of a European Green Deal (Business Europe, 2019). Because the organization has to find compromises in its membership, it is very likely to take weaker positions and focus more on inside lobbyism. As a result, Business Europe is an excellent most likely case study to show little lobbyism in the public sphere while adapting a position focused on creating winwins.

Governmental Institutional organisations within the European Union are the Member States. The position of Member States regarding the European Green Deal vary wildly and it is between the extremes of the positions of the Member States where a final European Green Deal will end up. Roughly speaking, Western and richer Member States tend to support a more ambitious Green Deal, with Eastern and poorer Member States arguing for less restrictive goals. A Member State's position is also influenced by the political alignment of its government, the composition of the current energy mix of the country and the national security effects of changes in the energy generation. Debates about whether nuclear energy is renewable, what target should be reached by 2030 and how the energy transition will be financed are major friction points preventing a consensus on the targets of the Green Deal until now (de la Baume, Tamma and Oroschakoff, 2019). Poland is the last country to oppose the European Green Deal, reflecting the difficulty this country faces in all above-mentioned aspects of the climate policy (Euronews, 2019). As a result, Poland is most likely to lobby extensively for less restrictive climate policies, making it a good case to study what strategies Member States in the European Union apply.

A major caveat in this are the non-associational interests in climate change policy, which have expanded rapidly in the last few years. Especially Gretta Thunberg's initiative *Skolstrejk för klimatet* or Fridays For Future has been spectacularly successful in mobilising public support for further action against climate change. During the European Parliament elections 1,4 million people marched for increased climate targets, making the issue more salient both in terms of media attention and electoral behaviour. Therefore, the current landscape on climate policy cannot be understood without understanding the impact of Fridays For Future and other non-associational interests have on the public sphere. However, the non-associational nature of these movements also makes it so difficult to draw lessons of what cohesive strategies are employed that this paper has to

exclude this category from its analysis.

# **Analysis**

#### World Wildlife Fund

The World Wildlife Fund's current position on the European Green Deal is supportive. Seeing it as an opportunity to "unite member state's interests" for an ambitious shared objective. The brief of the NGO emphasises a top-down approach, and a long-term mobilisation of public and private efforts in favour of 'just transition' towards a climate-neutral economy. Financial planning is primarily highlighted while suggestions are made to initiate green finance to help decarbonization of the economy while protecting biodiversity. The cost accrued while implementing the European Green Deal is the main source of skepticism of the World Wildlife Fund. They suggest that private finance must focus on green financing instead of brown financing, a massive transformation.

The WWF also believes that the percentage of the EU's budget dedicated to climate and environment needs to be doubled to clear out the obstacles. Additional points are the complete removal of brown financing from the financial system, as the organization states that the European Commission can overhaul and develop private-public financing condition that helps in smooth implementation of the green deal. Suggestions are made to ensure the corporate reporting mandate that covers the risks, dependency and impacts on the environment. More importantly, the suggestion is that the European Central Bank (ECB) evaluates the climate and environmental-related financial risk. Since this position was adopted, the ECB has already decided to cancel financial support for fossil fuels starting from 2021 which is considered as the 'significant victory' for green policies.

The WWF suggests a sustainable green investment vision is needed, which clarifies investor's duties and due diligence. Part of this is creating a credit rating agency that conducts ESG (Environmental, Social, Governance) risk analysis, to prevent possible corruption. The idea on which credit rating agency should do ESG risk analysis into their risk analysis and ratings is considered essential. The central bank already features climate risks as one of the critical risks for the European banking sector, which the WWF appreciates.

The World Wildlife Fund attracts almost exclusively members who are interested in combatting climate change and protecting wildlife, so they tend to be able to take extreme positions on climate change policy without fear of losing members. However, in a scenario where members more focused on species preservation, anti-hunting advocacy and human environment interests, the WWF has dealt with internal strife, especially surrounding the status of hunters as ambassadors of the organization. However, because of the current status of the climate policy debate, it can be expected that on this issue the WWF is very cohesive and as a result can phrase far-reaching demands. Business Europe, as an organisation that balances the interests of major business spread as diverse from fossil fuel-based energy companies and the aviation industries to business heavily invested in green technology must be much more careful in their balancing act.

## **Business Europe**

Business Europe, a leading business advocate group having members from 35 European countries is largely positive about EU ambition of European Green Deal with some skepticism. According to Business Europe, they are committed to help reach these conditions aiming societal-wide actions while suggesting policy makers to collaborate business and relevant stakeholders concurrently discussing and framing climate actions (Europe, 2019). The change is acknowledged and significant investments in low-emission technologies are developed or pledged in coming years. The change is progressive with Europe industry already reduced CO2 emissions by 37% between 1990 and 2016 with increasing exports of clean energy technologies (ibid). Not only the EU, but the countries around the world are benefiting from clean energy technologies from the EU. One example is the recent trade agreement between EU and Canada which is expected to significantly boost trade in climate-friendly goods with elimination of trade tariffs (Unit, 2019). The WTO endorses this agreement. However, Business Europe emphasise on 'competitiveness, security of supply', 'technology neutral approach' and 'climate ambition' to go hand in hand (Business Europe, 2019).

The report of Business Europe is skeptical about the implementation of global efforts and targets set in Paris Climate Agreement which they largely believe is a collective responsibility to manage climate change. The internal fuel energy prices of Europe are higher than those of the USA and other countries while the electricity prices are similar. Skepticism targets the current energy system which estimates 'total energy costs to between €2.2 - €2.8 trillions' between the year 2030 and 2050 and aims for most cost-

efficient energy system (ibid). Furthermore, the challenges of integrated energy system in EU, the differences of energy efficiency between Nordic, western and eastern European states are also interest of this lobby group. As the economic situation and energy security of member states are different from each other, Business Europe strongly emphasises different pathways for successful transition and sustainable cooperation (ibid). Regarding the financing of climate neural energy, public-private partnership and free market forces are considered most effective way that can help to allocate capital. However, a climate neutral economy is the global goal, and Business Europe attention is among the major trading partners around the world which should commit themselves to ambitions comparable with EU.

Currently, Business Europe has a single publication on its website dedicated on the European Green Deal (Business Europe, 2019). Other topics, such as labor safety standards, infrastructure investments and European trade policy take a much more prominent role on the website. Climate change is a subheading of Energy and environment, one of the thirteen headings on the website. What this reflects is the low priority the Green Deal is given, at least publicly. Economic interest groups are inclined to avoid issues that create internal conflict between interests, which explains why more attention is given to other topics which are less controversial. Why would one take a very a public position on climate change that will be controversial to part of its membership if one can devote the same resources to promoting a very popular position on the promotion of trade or intellectual property protection instead?

At the same time, it is clear that Business Europe is very actively engaging in consultations regarding the European Green Deal. It is well reported that Business Europe has good relationships with Members of European Parliament (MEPs) from the European People's Party (EPP) and Renew Europe (RENEW), and in 2018 219 reported meetings with elite European Commission officials took place. While it is not clear what is precisely discussed within these meetings, Vice-president Maros Šefcovič was one of the most-visited officials by the organisation, with a significant increase in meetings since 2016 (lobbyfacts.eu). The same is true for meetings with commissioner Cañete, who was the European Commissioner for Climate Action and Energy. There is no data available for how often Business Europe met with lower-level officials of the European Commission during the same period. While internal data of Business Europe could provide more information of the exact content of the meetings and the positions promoted by Business Europe, it is

obvious that with an increasing prominence of climate change policy Business Europe also took on an increased interest in inside lobbying.

## **Poland**

Within the European Council, the Polish government presided over an ever-shrinking minority that opposed more ambitious renewable targets for 2030. When the policy was first discussed it was clear there was no majority for it, but over time support for it increased. Last September only Czech Republic and Lithuania supported Polish opposition, but during the European Council meeting in December only Poland remained opposed (Tamma, Schaart and Gurzu, 2019). Czech resistance faded with concessions over the renewability of nuclear energy (ibid). The current technological advancement and financing is limited to particular rich western countries and Scandinavian countries overlooking its reach towards central and eastern European member states. A big challenge will be to transfer these to all member states of EU.

Poland's case is the most likely case to show extensive lobbying for a number of reasons. First of all, Poland's ruling party *Prawo I Sprawiedliwość* or PiS is very conservative, and can count on an absolute majority in the Polish Parliament (Kalan, 2019). As a result, it can decide the policy of Poland on its own without having to negotiate cross-party deals with parties that have fractions in different EP groups. Within the European Parliament, PiS is also ideologically isolated from the other climate-sceptic Eastern European governments, with the Czech government being a member of RENEW and Hungary being a member of the EPP. As a result, PiS European Parliamentarians are not affected by socialisation, changing their values based on who they work and socialise with on a day-to-day basis, the same way.

PiS's electorate is also more likely to oppose climate action. Key voting blocs in past elections have been religious conservatives, farmers and industrial workers. All three groups are more inclined to be against extensive climate policy. It is not unheard of for Polish priests to deny climate change. Polish farmers have profited greatly from European CAP-funding, and a decrease or a transition away from meat could be disastrous for Poland's large agricultural and especially extensive pork industry (Kalan, 2019). Poland is also one of the final European countries with a large coal-mining sector which employs thousands of workers. These workers have been very effective in getting national attention

for their issues with climate policy, and as a result the polish electorate is more motivated to safe them then in other states. All these factors contribute to creating a public sphere in which PiS can benefit from politicising climate policy and profit from vocally opposing it. It creates a culture war in which riding a bike is seen as anti-Polish (Reid, 2018).

A third factor in Polish opposition lies in its energy security. Large sections of Europe are dependent on Russian gas, which is not necessarily secure in the event of geopolitical tension. As a result, there is political will across Europe to limit its dependence on Russian gas. The willingness defers greatly per Member State though, with Germany controversially investing into Nordstream 2, a project which increases Russian gas transports. Poland, whose primary aim is to remain independent after 45 years of Soviet domination, places high priority on being independent from Russian gas supplies. As a result, they have invested highly into LPG imports from the US. However, renewable targets constraint important energy resources, which makes renewable energy a national security issue for Poland.

The Polish government has organised its resistance to the European Green Deal using mainly two methods: creating domestic support and organising the anti-decarbonisation Member States. PiS officials have come out often publicly deriding the European Green Deal process as being undemocratic and they have claimed that the Green Deal will ruin Polish workers. Examples of this are continued resistance by officials to the 2050 zero emission targets (Dempsey and Khan, 2019). During the 2019 parliamentary election in Poland politicians of PiS have also used opposition to climate policy as a campaign issue (Schick, 2019, The Daily, 2019).

The inside-lobbying efforts of PiS has taken place by its MEP's and through the civil servant level, however we can also observe an interesting method used in the European Council. Prior to European Council meetings prime minister Morawiecki has often convened with similar-minded colleagues to discuss taking common positions. While Poland has veto-rights because the Treaty of Lisbon requires unanimity, allying with colleagues insulates Poland against accusations of obstructionism. This form of inside lobbying is the most obvious, but Polish officials are said to often meet with business leaders, while simultaneously excluding public interest groups from meetings. And through continued opposition in the European Council, the government has managed to at least

exclude emission targets for Poland until now.

# Conclusion

Over the past few years the European Union has taken a clear and bold position towards climate change as its principal priority. Claiming to want to become a global leader and the first climate-neutral continent, it has become clear to everyone that it is not a question if a European Green Deal will be adopted, but how it will look on a number of key issues as emission targets, financing and energy security. This project analysed how three stakeholders try to influence this discussion. The World Wildlife Fund is a public interest group which adopts a very visible outside lobbying strategy, while at the same time conducting inside lobbying on emission targets and financing issues.

Business Europe as an economic interest group takes bigger focus on inside lobbying by holding frequent meetings with important officials and responding to public consultations. At the same time, they are much less visible in the public sphere than the WWF. This can be attributed to more internal division within the organization which forces it to take less extreme positions to avoid alienating its membership, whereas the WWF's membership is much more united. The rising awareness among general public, climate change impacts and urgent need of action against it is taken as the strong base for WWF lobby.

The Polish government is a governmental interest group which stands more skeptical towards the green deal. This is because one of the challenges will be to transfer new technology and sustainable investment to all member states of EU, at a time where Poland is still largely depended on carbon-intensive industry. Not only its coal-mining sector is still a relevant political force, but also the key agricultural voting bloc is expected to be hit by increased emission targets. This has resulted in a belligerent position by the Polish government in the European Council, both expressed in domestic public fora and through the countries inside lobbying efforts.

## Looking forward

It is possible to see that concessions in cohesion, regional and agricultural funding can sweeten the deal for the Polish government. Currently, the country stands on its own in the European Council, and the issue will be revisited in June 2020. We expect that it will be difficult for the Polish government to continue its resistance, and a possible compromise

that includes increased funding for Polish industry-heavy regions can lead to a deal. Increased connectivity in Europe can also solve part of Poland's energy security concerns. That should remove the final major obstacle in the path of the European Green Deal, as the European Parliament is also expected to consent. We expect that the World Wildlife Fund and Business Europe will continue to closely monitor the implementation process of the deal. Business Europe is expected focus on creating economic opportunities for its membership organisations while insulating the vulnerable organisations, while the WWF will probably focus on further increasing emission targets and the preservation of European and aquatic wildlife. Overall, the organisations will have plenty of work to do.

#### Limitations

This project was limited by confidentiality constraints, the timeframe of the project and the scope of the research. As discussed earlier, a major obstacle in this study is that it is impossible to establish causality between an organisation's effort and the final policy. At the same time, we thought like this should not prevent us from conducting the analysis and at least describing how organisations try to influence the policy process. It would be very interesting to revisit this analysis in the future, when documents and interviews become available that can directly establish causality.

This project was also limited in its time. Both studying more cases and conducting interviews as supporting evidence could have increased the representation of the analysis. More cases could establish whether effects that are observed in the World Wildlife Fund, Business Europe and the Polish Government are incidental or hold true for other organisations of its type, and performing more case studies among other types of organisations could establish differences as well. As daunting as such a task may seem, taking interviews and analysing different chapters of the Fridays for Future movement would provide valuable information on how non-associational groups function, which would make an excellent further research project.

This project also had to exclude some vital discourses in the global climate change debate from its analysis. We had to largely ignore climate justice debates from the equation as there is very little information available on how this has impacted the European policy sphere. And while we briefly touch upon the discourse surrounding the Green Deals of Europe and the United States, we must deeper delve into how these ideas have impacted the debate to fully comprehend the establishment of the European Green Deal. Also, key

European policy dynamics such as socialisation, constructivism and bottom-up versus top-down Europeanization had to be excluded because in a shorter research project they have relatively small effects, however across institutions their effects can be observed. Despite these limitations, this paper has added important information to the climate policy debate, highlighting the role interest groups can play in the process. This information can be used both to inspire interest groups across the world how to influence the policy debate and by academics to better understand how the European Green Deal was formed. Let's hope that the European Commission is correct in their assessment on what is needed to prevent global climate disasters, and that the European Green Deal is part of the global solution.

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