

Run-up to 2015: A moment of truth for EU external climate action?

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Key messages

The coming months and year will set the course of our world's future. Two major international agreements will be signed: a new legally binding global treaty on climate change and a new sustainable development framework to replace the Millennium Development Goals. Europe is set to play an important role in both negotiation processes.

Since 2009, the EU has actively revamped its foreign policy architecture on climate action. It has made bold financial commitments to scale up climate financing up to 2020, and it has mainstreamed climate financing throughout its various budget instruments. At the same time, the EU has worked to refine its climate diplomacy strategy.

Despite these efforts, Europe's capacity for effective external climate action remains imperfect. Furthermore, the changes introduced by the new President of the EU Commission have triggered alarm and cast doubt on the EU's commitment to lead the global battle against climate change at this pivotal point in history.

Introduction

The fight against climate change will reach a number of crucial junctures in the coming months and year. In September 2014, a Climate Summit hosted by United Nations (UN) Secretary-General Ban Ki-moon will seek to catalyse international action for a low-carbon economy. In December 2014, the 20th session of the Conference of the Parties (COP) will convene in Lima to discuss the reduction of greenhouse gas emissions in order to limit the global temperature increase to 2°C above current levels. In 2015, Paris will be the venue of the 21th COP session: for the first time in 20 years, all nations, including the largest emitters of greenhouse gases, will attempt to negotiate a comprehensive, universal and legally binding agreement on climate change, to replace the Kyoto Protocol (KP). In parallel, efforts to define a new global development agenda to succeed the Millennium Development Goals (MDGs) are also under way. There is an emerging consensus that an integrated approach is needed on climate change and development, as *"climate change will determine whether the levels of development progress that have already been achieved can be sustained, as well as whether post-2015 development goals can be achieved ... Similarly, the achievement of global climate change objectives ... will depend on government decisions taken across sectors and in all countries"*.¹

The European Union (EU) has set out to be a key player in both negotiation processes: the post-2015 development agenda and the UN Framework Convention on Climate Change (UNFCCC). It is in the EU's own interest to encourage international partners to constructively join in global action against climate change.² The EU's international security policy regards climate change as a *"threat multiplier"*: a global environmental and development challenge with important security implications, exacerbating instability and creating humanitarian, political and security risks that affect European interests.³ The European Council has also underlined the urgent need to manage climate change, to preserve *"peace and security, development and prosperity"*⁴ in Europe and the rest of the world. The EU's "smart, sustainable and

¹ Scott and Horn-Phathanothai, 2014.

² European Commission, 2014e.

³ See both HighRep/EC, 2008; and EEAS/EC, 2011.

⁴ European Council, 2011.

inclusive growth strategy”, titled Europe 2020, urges drastic action on climate change: “*Strong dependence on fossil fuels... and inefficient use of raw materials... threaten our economic security and contribute to climate change. The expansion of the world population... will intensify global competition for natural resources*”.⁵ This resonates well with the latest global analysis of the Intergovernmental Panel on Climate Change (IPCC), which also forecasts that climate change will exacerbate the causes of violent conflict around the globe.⁶

The EU was a driving force in international negotiations that led to the UNFCCC agreed at the Rio Earth Summit in 1992 and to the Kyoto Protocol signed in 1997. Since then, the EU has strived to maintain a reputation as “*the champion of a globally and legally binding climate regime*”.⁷ The EU has progressively refined its foreign climate policy and decision-making architecture to reflect its ambition to play a key role in the international climate negotiations that will culminate with the December 2015 COP meeting in Paris.

But is the EU’s foreign climate policy and external climate action architecture fit for purpose?

This brief is aimed at climate change experts and EU external relations practitioners. Its objective is to help them better understand how external climate policy fits within wider EU foreign policy. To that end, it presents a historical perspective on EU external climate action and examines how European climate policy operates in practice, particularly in the post-Lisbon setting. The analysis is based on a broad literature review, complemented by interviews with EU staff working at the Directorate-General for Climate Action (DG CLIMA), the Directorate-General for Development Cooperation (DG DEVCO), the European External Action Service (the EEAS) and the Service for Foreign Policy Instruments (FPI). Views from the field were gathered through a survey among EU Delegations in Africa, Asia and Latin America.⁸

The brief is organised in five sections.

- Section 1 reviews EU foreign climate policy until 2009, and seeks to explain why the Copenhagen Summit was a turning point in EU climate diplomacy.
- Section 2 sketches the EU’s external climate policy and decision-making architecture after the Lisbon Treaty, with a particular focus on institutional arrangements.
- Section 3 identifies tensions between the EU’s internal and external policies with regard to energy security and climate change aims, additionally looking at how these affect EU leadership on global climate policy.
- Section 4 assesses how well the EU is equipped to conduct climate diplomacy in the run-up to 2015. The emphasis is on climate diplomacy, financial commitments and challenges in the 2014-2020 period.
- The final section reflects on the possible impacts of the Juncker Commission on EU climate leadership, and what needs to be done to ensure that the EU delivers on both sustainable development and global climate goals.

⁵ COM(2010) 2020 final.

⁶ IPCC, 2014.

⁷ De Ville and Kingham, 2011.

⁸ A total of 12 EU Delegations participated in the survey: six in Africa, four in Asia and two in Latin America. The questionnaire aimed to better understand the roles played by Delegations with regard to external climate action and climate diplomacy; the nature of interactions between the Delegations and DG CLIMA, the EEAS and DEVCO related to climate change; and the main challenges encountered by the Delegations in conducting climate external action.

1. A bird's-eye view on EU external climate policy before the Lisbon Treaty

EU external climate policy architecture from 1999 to 2009

The Amsterdam Treaty, signed in 1997, identified sustainable development as an overall objective and environmental integration as a means to achieve it.⁹ The Treaty also introduced the “Common Foreign and Security Policy Troika”, meaning that the European Commission, the Presidency of the European Council and the country due to hold the Council Presidency next, would represent the EU vis à vis countries outside of the EU. This arrangement also applied to the team participating in the international negotiations on climate change.

Climate change emerged as an important political issue in the early 2000s, both internationally and within the EU and its Member States.¹⁰ Over the years, the European Commission progressively raised its profile in international climate negotiations, ultimately assuming a de facto coordination role. In 2004, the EU adopted the system of informally chosen “lead negotiators” which is still in place today.¹¹ This informal division of labour allows the EU to pool expertise, know-how and negotiation skills, bringing together a mix of experts from the Commission and EU Member States. “Lead negotiators” prepare for meetings and represent the EU’s position in international fora under the auspices of the EU Presidency and on behalf of the EU. In addition, this system maximises the chance that Member States will find the EU’s negotiating position acceptable.¹²

The EU’s strategy was based on leadership by example: “to be credible internationally [it needed] to have a proper domestic climate policy”.¹³ In 2005, Europe launched the EU Emissions Trading System (ETS), which seeks to “accelerate decarbonisation in Europe and promote a global carbon market”.¹⁴ The ETS formed the cornerstone of a regional climate regime and set an example for other countries.¹⁵ To some extent, the approach was a success, as emissions trading systems were implemented in Switzerland (2007), New Zealand (2008), the Northeast of the US (2009), Tokyo (2010), Australia (2012), California, Kazakhstan, Quebec and Shenzhen in China (all 2013).¹⁶ The EU also proposed ambitious emission reduction targets and a commitment to promoting an effective multilateral climate order.¹⁷ This included assisting EU’s partner countries to meet the challenges posed by climate change and supporting them in the implementation of the UNFCCC and the Kyoto Protocol.¹⁸ The EU saw taking the pole-position in decarbonisation as an opportunity to become a world leader in low-carbon and renewable technologies and know-how.¹⁹

The 2009 Copenhagen Summit: a blow to EU’s self image

The Copenhagen Summit in 2009 revealed the limits of the EU’s “leading by example” approach²⁰ and cast doubts on EU’s role as an international climate leader. In an increasingly multipolar environment where national interests prevail, the EU’s tactics proved to be too normative, rigid and euro-centric. “The EU wanted others to take up an emission reduction target but lacked bargaining chips, such as additional funds and trade measures. Its offer to increase its own emission reduction effort by 2020 from 20 to 30 per cent was not a bargaining chip either as it did not impress others”.²¹ The EU’s insistence on a single legally binding agreement met fierce opposition from most developing countries, backed by the newly formed BASIC group (Brazil, South Africa, India and China). Furthermore, the EU’s dual leadership (formed by the

⁹ Kingston, S., 2013.

¹⁰ Van Schaik and Schunz, 2012, p.5.

¹¹ See Pavese and Torney, 2012; Van Schaik and Schunz, 2012; and Delreux and Van den Brande, 2010.

¹² Delreux and Van den Brande, 2010.

¹³ Van Schaik and Schunz, 2012, p.7.

¹⁴ ETTG, 2014, p. 21.

¹⁵ Schunz, 2012.

¹⁶ Bals et al., 2013.

¹⁷ Torney, 2014.

¹⁸ EC, 2003.

¹⁹ Currently, there are a number of instruments that support EU research and innovation with regards to energy supply and demand : Horizon 2020, SET plan (part of the 7th Framework Programme), EMInINN, EcoInnovation.

²⁰ Pavese and Torney, 2012, p. 138.

²¹ Van Schaik and Schunz, 2012, p.13.

European Commission and the EU Presidency) coupled to the prevailing tendency of Member States' to pursue their own bilateral interests, meant that the EU arrived in Copenhagen without a unified position. As a result, although the EU signed the Copenhagen Accord, it was marginalised in the final high-level negotiations and did not take part in the political deal between the US and the key emerging economies, led by China.²² Following Copenhagen, the EU entered a period of reflection on its approach to international climate change negotiations.

2. A revamped EU external climate action after the Lisbon Treaty

The EU's disillusionment in Copenhagen coincided with the signing and entry into force of the Lisbon Treaty on 1 December 2009. The purpose of the Lisbon Treaty was *"to make the EU more democratic, more efficient and better able to address global problems, such as climate change, with one voice"*.²³ To this end, extensive changes to EU's governance were introduced, including more power for the European Parliament, new voting procedures in the Council, a permanent president of the European Council, a new High Representative for Foreign Affairs and a new EU diplomatic service.²⁴

The Lisbon Treaty offered several opportunities to revamp the EU's approach to international climate change negotiations. First, it put an end to the rotating presidency of the European Council, and created a *legal basis* for the European Commission to take the lead in EU external representation in multilateral climate change talks (although in practice, this has not always been carried through).²⁵ Second, the Lisbon Treaty identified "sustainable development" and the "fight against climate change" as key objectives of EU foreign and environmental policy.²⁶ Finally, the Lisbon Treaty provided incentives to reorganise the EU's institutional architecture for foreign policy on climate.²⁷ It created the High Representative position, supported by the EEAS, which brought together staff of the former Directorate-General for the External Relations (DG RELEX) and national diplomats of EU Member States, as well as members of the Council Secretariat.

The European Commission, too, embarked on far-reaching institutional reform in line with the changes introduced by the Lisbon Treaty. It created the Directorate-General for Climate Action (DG CLIMA),²⁸ which brought together expertise previously held in the Directorate-General for the Environment (DG ENV), and the climate-change related activities of the former DG RELEX and the Directorate-General for Enterprise and Industry (DG ENTR). DG CLIMA is responsible for leading international negotiations, ensuring that EU climate change policies are mainstreamed across all Community policies; verifying that the EU meets its climate change targets for 2020, and overseeing the EU ETS.²⁹ The Commission also merged the Directorate-General for Development (DG DEV) and the Directorate-General for Aid and Cooperation (DG AIDCO) into one new Directorate-General – DG DEVCO – in charge of development policy design and implementation. DG DEVCO participates in negotiations in support of DG CLIMA, particularly with regard to implementing the Global Public Goods and Challenges (CPGC) programme, adaptation measures, quality assurance and mainstreaming climate change in development cooperation financial instruments (namely the EDF and the DCI). DG DEVCO is also in charge of setting up the statistical data system for internal and external reporting within the UNFCCC.

Within the EEAS, a thematic department on global and multilateral issues would handle crosscutting themes such as climate change. The EEAS network of EU Delegations would also play a role in programming, managing and implementing climate-related interventions in developing countries. Delegations in key countries would be strengthened with climate experts, budget permitting.³⁰ In 2012, the EEAS took over leadership of EU's Green Diplomacy Network (GDN), an informal group (created in 2002)

²² Muller-Kraenner and Kremer, 2010.

²³ http://europa.eu/about-eu/basic-information/decision-making/treaties/index_en.htm

²⁴ http://europa.eu/about-eu/basic-information/decision-making/treaties/index_en.htm

²⁵ The Lisbon Treaty established that "with the exception of the common foreign and security policy... the European Commission shall ensure the Union's representation" (art.17; see Pavese and Torney, 2012).

²⁶ Since 1997, mainstreaming environmental considerations across all Community policies is a requirement under the EC Treaty, in particular with a view to promoting sustainable development.

²⁷ Schunz, 2011, p. 14.

²⁸ A DG for Energy was created in 2010.

²⁹ Rayner and Berkhout, 2012.

³⁰ EEAS and EC, 2011, p. 4.

aimed at promoting the integration of the environment into external relations. The GDN brings together environmental experts from EU foreign ministries with the aim of reaching out to the wider government.

In this new institutional set-up, the EU Commissioner for Climate Action (currently Connie Hedegaard) represents the EU in UNFCCC negotiation meetings. In addition to experts from DG CLIMA, representatives of DG DEVCO and the EEAS also take part. Prior to international negotiations, the EU will articulate a common position using the procedure illustrated in Figure 1.³¹



Figure 1 Steps to articulate a common EU position in UNFCCC negotiations (Adapted from Pavese and Torney, 2012)³².

With these institutional arrangements in place, the EU seems positioned to “step up efforts on climate diplomacy to address climate change at political levels and to strengthen the EU voice internationally”. Nonetheless, it recognises that this will require enhanced cooperation between the EU and its Member States. Moreover, “[t]he European Commission, the High Representative, the EEAS and its network of European Union Delegations, Member States and their national diplomatic services all have a mutually reinforcing role to play”.³³ A challenge, in practice, is that both the EU and its Member States are part of the international climate regime: “[Each is] not only entitled to take part in international negotiations, but can, in principle, represent their own interests at the multilateral level”.³⁴

Recovering from the Copenhagen hangover

The Copenhagen debacle taught the EU that if it wanted to rally support for climate change action, its position would have to be attuned to the values and interests of the major players, such as the US, China and India. Negotiating positions would need to be presented in such a way as to facilitate consensus.³⁵ In a context where middle-income countries are no longer entitled to ODA and where some countries have caught up with EU’s efforts in developing sustainable energy technology, technology transfer became a privileged incentive.³⁶ To build political momentum towards COP21, the EU understood that it would need to bolster its diplomatic activity and forge a broad international alliance by supporting political dialogue on climate change in international fora (e.g., the UN, G7 and G20).

EU leadership was slightly more successful during the subsequent COPs. Compared to other parties, the EU retained ambitious positions on mitigation commitments for both the pre-2020 period and the years thereafter; but progress was slow and results were mixed, and conditioned by the international context.

Box 1 sketches the EU’s role and highlights the outcome and decisions of COPs since 2010.

³¹ Pavese and Torney, 2012, p. 131.

³² The COREPER is the Permanent Representatives Committee. It is responsible for preparing the work of the Council of the European Union. It consists of representatives from the Member States with the rank of Member States’ ambassadors to the European Union and is chaired by the Member State which holds the Council Presidency.

³³ EEAS and EC, 2011. For more details on the institutional set-up, see Delreux and Van den Brande (2010), pp. 16-19.

³⁴ Pavese and Torney, 2012, p. 130.

³⁵ Schunz, 2011.

³⁶ Interview with EU official, 2014.

Box 1 Achievements of COPs from 2010 to 2013 and the EU's role in each

COP16 (Cancun, 2010): The EU's approach was pragmatic and aimed at implementing concrete elements of the Copenhagen Accord. EU Member States were divided (as they had been during COP15), but they managed a coherent position, although with lowered ambitions. Compared to COP15, the US and BASIC countries were more cooperative, and the EU acted as a bridge-builder between the BASIC countries, developing countries and other developed countries, including the US and Japan.³⁷ COP16 produced an agreement that formalised many elements of the Copenhagen Accord by incorporating them in a decision under the UNFCCC. Agreement was also reached on administrative mechanisms regarding adaptation, technology transfer and REDD+,³⁸ including the decision to create the Green Climate Fund.³⁹

COP17 (Durban, 2011): Europe pushed hard using its strategic instruments and its Green Diplomacy Network. Aligning with its African partners, the EU encouraged China, India and the US to agree on emission targets with legal force, albeit only from 2020.⁴⁰

COP18 (Doha, 2012): The EU's climate ambitions in terms of strict emission reductions were obstructed by Poland, but also big carbon-emitting nations such as Canada and Russia.⁴¹ Hence, the outcomes of COP18 were modest. Australia and the EU did sign an extension of the Kyoto Protocol to 2020, but little progress was made towards a new international agreement to be negotiated in 2015. Finance remained controversial. Some key emitters, including the US, Canada and Japan, withdrew from the Kyoto Protocol.⁴²

COP19 (Warsaw, 2013): Looking ahead to the 2015 agreement, the EU proposed an ambitious stepwise approach towards mitigation commitments. However, on other issues, such as climate finance, EU promises were not substantial enough to appeal to developing countries. In the end, the EU achieved only partial support for a stepwise approach. This was due to the backtracking of Japan and Australia, the continued low ambitions of the US and the lack of cooperation from emerging economies, China in particular.⁴³ COP19 did establish a timetable leading to COP21 and the "Warsaw International Mechanism for Loss and Damage" associated with climate change impacts.

3. Is EU leadership in global climate policy hostage of internal energy considerations?

The EU places a premium on cooperation with international partners on renewables. It views such cooperation as a means to address the triple challenge posed by the rise of emerging economies' energy demand, EU dependence on fossil fuels, and the need for global action to address climate, environmental and competitiveness concerns.⁴⁴

In 2014, the European Commission presented a policy framework on climate and energy for the 2020-2030 period. It identifies two key objectives: (i) to cut greenhouse gas emissions by 40 per cent by 2030 compared to the levels of 1990 and (ii) to increase by at least 27 per cent the share of renewables in the EU energy mix.⁴⁵ Yet, as pointed out by Youngs, *"the EU's leadership in global climate policy is increasingly compromised by tensions between its internal and external policies, as well as between traditional energy security and climate change aims"*.⁴⁶

EU Member States appear divided on the Commission's climate and energy policy proposals. Member States from the Green Growth Group⁴⁷ have argued that clarity on the 2030 climate and energy targets will stimulate investment and allow Europe to exert international influence in the run-up to the international climate negotiations in 2015. Yet, the more coal-reliant Member States, especially those in the Visegrad Group,⁴⁸ argue the opposite. They say that setting too ambitious targets for cutting greenhouse gas

³⁷ Groen, Niemann and Oberthür, 2012.

³⁸ REDD refers to "Reducing Emissions from Deforestation and Forest Degradation". The "+" refers to the inclusion of "the role of conservation, sustainable management of forests and enhancement of forest carbon stocks" (for details see www.un-redd.org/aboutredd/tabid/102614/default.aspx).

³⁹ Groen, Niemann and Oberthür, 2012.

⁴⁰ Youngs, 2013.

⁴¹ EUobserver, 2012.

⁴² Hultman and Langley, 2012; Light et al., 2012.

⁴³ Oberthür and Groen, 2014.

⁴⁴ SWD (2013) 334 final.

⁴⁵ COM (2014) 15 final.

⁴⁶ Youngs, 2013, p. 1.

⁴⁷ This includes Belgium, Denmark, Estonia, Finland, France, Germany, Italy, the Netherlands, Portugal, Slovenia, Spain, Sweden and the UK.

⁴⁸ Poland, Slovakia, Czech Republic and Hungary.

emissions will drive investment out of Europe⁴⁹ and “leave the bloc with no cards to play in Paris in December 2015”.⁵⁰ They suggest that the EU’s carbon emission pricing regime provides sufficient economic incentive to cut energy waste.

In fact, the Lisbon Treaty itself contains somewhat conflicting objectives: although energy policy is an area of joint EU and Member State “competence”, national governments are given autonomy to choose their own energy sources.⁵¹ National regulations are sometimes an obstacle to regional integration of energy supply,⁵² and many Member States see the fight against climate change as a cost rather than a means to reduce Europe’s dependence on imported fossil fuels.⁵³ In late July 2014, Member States finally agreed to a target of a 30 per cent energy efficiency improvement by 2030. To the regret of green campaigners, however, this EU-wide goal will not be translated into legally binding individual targets for Member States.⁵⁴ As pointed out by Commissioner for Climate Change, Connie Hedegaard, in an interview published in March 2014: “the political will of Heads of State of the biggest EU countries is not strong enough”.⁵⁵

For Youngs, a compounding reason is that “the EU has come to attach priority importance to a rather traditional understanding of energy security [which] sits uneasily with its declared climate aims. Part of this is to do with intensified oil and gas diplomacy; part is to do with the focus on non-conventional fossil fuel sources.”⁵⁶ A good illustration of this tension was offered by EU Commissioner for Energy, Günther Oettinger, who at the onset of the Ukraine crisis identified the difficulties of planning European sanctions against Russia, “a country which has always been the EU’s partner on energy matters”.⁵⁷ Amidst a diplomatic crisis, Member States postponed a decision on the energy package to October 2014, “leaving the EU to attend the UN Climate Summit... in September – with no agreed targets and a weakened international stance”.⁵⁸

4. Is the EU equipped for effective climate diplomacy in the run-up to 2015?

Key building blocks of EU climate diplomacy

A joint reflection paper authored by the EEAS and European Commission and published in July 2011 identifies three strands of action on EU climate diplomacy: (i) promote climate action, especially through coordinated outreach efforts in partner countries and developing more refined understandings of the positions held by negotiating partners and stakeholders;⁵⁹ (ii) support implementation of climate action, and coordinate support to developing countries’ institutional capacity to address climate change;⁶⁰ and (iii) focus on the relation between climate change and international security.⁶¹

A second joint paper, issued in 2013, set out an ambitious EU climate diplomacy programme in the run-up to the 2015 international climate negotiations. It establishes five priorities: (i) renewing political momentum on climate change at the highest levels and mainstreaming climate change in bilateral and multilateral

⁴⁹ Friends of Europe, 2014.

⁵⁰ van Renssen, 2014.

⁵¹ Directive 2009/28/EC (http://europa.eu/legislation_summaries/energy/renewable_energy/en0009_en.htm) establishes a common framework for the production and promotion of energy from renewable sources until 2020. Each MS has had to develop a national plan (http://ec.europa.eu/energy/renewables/action_plan_en.htm). A summary of Member States’ forecasts can be found here: (http://ec.europa.eu/energy/renewables/transparency_platform/doc/dir_2009_0028_article_4_3_forecast_by_ms_symmary.pdf).

⁵² According to an intervention at the Friends of Europe 10th annual Energy Policy Summit, “Europe’s Energy Outlook: Heading in the Right Direction”, 7 November 2013.

⁵³ Interview, *Le Monde*, 21 March 2014.

⁵⁴ Harvey, 2014. EU agrees to improve energy efficiency 30% by 2030, in *The Guardian*, 23 July 2014.

⁵⁵ Interview, *Le Monde*, 21 March 2014.

⁵⁶ Youngs, 2013, p. 11.

⁵⁷ Interview in *Tagesspiegel*, 2014.

⁵⁸ Friends of Europe, 2014.

⁵⁹ The joint paper recommends giving special consideration to the following countries: the US, China, India, Brazil and South Africa, and at the regional level, to Africa, the Asia-Europe Meeting (ASEM) and the Association of Southeast Asian Countries (ASEAN).

⁶⁰ For instance, by sharing first-hand experience (e.g., in establishment of the EU ETS, regulatory action and a low-carbon economy), providing technical and financial support to strengthen climate change partnerships and, in general, integrating EU external action into EU-wide country and regional strategies.

⁶¹ The use of pilot studies and early warning reviews could then lead to preventive action, particularly in cooperative EU partnerships with vulnerable countries.

discussions of strategic foreign policy; (ii) initiating a staged diplomacy approach up to 2015, with a focus on enhancing climate intelligence and refining climate narratives; (iii) seeking mutually reinforcing positions in other international processes, in particular agenda-setting for the post-2015 development framework; (iv) renewing the impetus for support to domestic policies and actions towards low emissions and climate-resilient economies; (v) forming a strategic alliance that builds on the EU's credibility to deliver an ambitious 2030 energy-climate framework and climate finance.

However, these policy documents have not easily translated into practice. The following sections outline some of the challenges encountered.

The EU's imperfect capacity for climate diplomacy

The working arrangements between the EEAS and DG CLIMA are designed to ensure that both have an added value. However, as pointed by one of our interviewees, *"although this sounds nice in theory, there is a dichotomy between the EEAS [which is political] and DG CLIMA [which is policy oriented]"*. Some analysts see a separate DG CLIMA as an obstacle to the integration of climate action in the broader framework of EU external relations. According to Torney, *"[it] reinforces the tendency to view climate change as a distinct, technical area of policy-making which is the remit of specialists, rather than viewing it in broader strategic terms"*.⁶² Furthermore, although DG CLIMA is in the lead, it has limited resources for external relations with third countries. At the time of this writing, DG CLIMA had seconded one full-time member of staff to the EU Delegation in Beijing, and planned a similar position in Delhi. Budget constraints, however, prevented further secondments for the time being. Despite these challenges, most of our respondents considered interactions between DG CLIMA and the EEAS to be smooth, as they met regularly and prepared statements together.

Another major challenge is to ensure that climate change is mainstreamed in the work of the EEAS. This requires that political and senior management levels (both within the EEAS and EUDs) buy-in and become active in climate diplomacy.⁶³ However, the EU continues to lack sufficient institutional resources for implementing its reflection papers and deploying efficient climate diplomacy. Capacity at EEAS headquarters also remains fairly weak, with only one full-time staff member currently dealing with climate change (in the Global Issues and Counter-Terrorism Division). The EU Delegations⁶⁴ can play a key role in refining EU institutions' understanding of the political economy of climate change in the various partner countries. Being in the EU's external action frontline⁶⁵, EU Delegations are not only primary sources of information for Brussels-based DGs, but also *"particularly important for outreach activities in the run-up to international negotiating meetings"*.⁶⁶ However, as revealed by our survey, most EUDs face capacity constraints (see box 2).

In October 2013 DG CLIMA commissioned a report to strengthen the EU's intelligence on the interests and domestic politics of partner countries on climate change. This in turn would help refine EU's climate narratives in the run-up to 2015. The consultancy is still in progress, but according to our sources, its final product will consist of 12 thematic policy narratives⁶⁷ and some 30 country profiles⁶⁸ based on existing information in the public domain. These will form a toolbox to support the EU Delegations, DG CLIMA and Member State diplomats in deploying an EU narrative effectively. The question could be raised of whether an intelligence-led approach, drawing on the diplomatic reporting of EU Member States (and the GDN) might have had greater added value, not only in terms of efficiency and effectiveness, but also in building an intelligence capacity within the EEAS, rather than outsourcing intelligence work to external consultants.

DG DEVCO plays a role in the EU working group dealing with climate finance and financing for development. According to one of our interviewees, *"DG CLIMA has tried to push DEVCO to increase its*

⁶² Torney, 2012b.

⁶³ Torney, 2013.

⁶⁴ The EEAS has a network of 139 EU Delegations. They represent the EU in third countries and in international organisations, operating under the authority of the EU's High Representative for Foreign and Security Policy and in close cooperation with member states' diplomatic and consular missions. The EU Delegations combine diplomatic and operational tasks: (i) they act as chair of the EU Presidency; (ii) they represent EU foreign policy and defend EU values and interests; (iii) they are responsible for the EU's multi-annual development cooperation programmes; and (iv) they provide logistical support and assistance to EU institutions.

⁶⁵ For an analysis of the roles and functions of EU Delegations see Helly, Herrero, Knoll, Galeazzi, and Sherriff (2014).

⁶⁶ Buck, 2012, p.81.

⁶⁷ On issues such as climate and development, climate finance, adaptation and resilience, climate and land use, carbon markets, climate science, sustainable transformation and co-benefits.

⁶⁸ With a focus on the Like Minded Group of developing countries.

role [drawing on its own expertise and human resources], but DEVCO pushed back, given the current strain on its human resources.” DEVCO also participates in the Impacts and Adaptation Working Group of the European Climate Change Programme (the Commission’s main platform for discussing and advancing EU climate policy)⁶⁹ and in the EU’s GDN.

It is worth noting that the European Commission – despite being the EU’s lead negotiator at COPs, the promoter of EU coordination and a major donor – is absent from the Green Climate Fund. This fund is the largest source of financing for climate action and was established to help meet the Copenhagen Accord aim of raising US\$100 billion per year in international climate finance up to 2020.⁷⁰ The European Council supported allocating one seat on the Fund’s board to the European Commission as the EU’s representative, but the Russian Federation and the US opposed this, arguing that it would constitute double representation for the EU Member States⁷¹ that already had a seat on the board.⁷²

Box 2 The EU Delegations’ climate change activities: Evidence from the field

EU Delegations play a variety of roles in relation to climate action, though according to our respondents, the bulk of their climate-related work is linked to programme implementation. EUDs are meant to stimulate inclusion of climate concerns in political and policy dialogue processes in partner countries: they liaise with high-level contacts and progressive stakeholders in civil society, and they organise and take part in outreach activities (e.g. conferences, dialogues, expert meetings and seminars). It is interesting to note that the majority of our survey respondents considered their own outreach activities as “effective”. A number of Delegations indicated that they regularly liaise with DG CLIMA (e.g. transmitting documents to relevant line ministries, following up on issues discussed at ministerial meetings and reporting on and organising visits by DG CLIMA staff). A few report activities in climate intelligence and analysis (i.e., drawing up climate profiles). Occasionally, EUDs carry out demarches jointly prepared by the EEAS and DG CLIMA.

In general, survey respondents felt that the Heads of Delegation (HoD) had attached sufficient importance to climate change. In most countries, climate change did feature in political dialogue, though it was often lower on the agenda than, for instance, trade and governance. When political dialogue addressed climate change the agenda is set either by DG CLIMA (in 2 countries), by the EEAS (in 2 countries), by DG CLIMA and EEAS jointly (in 5 countries) or DG DEVCO (in 3 countries). This suggests unclear chains of command with regards climate change in political dialogue.

Most of the surveyed EUDs reported playing an active role in rallying support in the run-up to climate negotiations in 2015. One Delegation regretted having received no instructions from DG CLIMA in this respect. Nine of the twelve Delegations surveyed were unaware of DG CLIMA’s efforts to develop a toolbox of climate narratives. Most respondents considered the EU’s influence in partner countries to have been rather limited. Our survey found EUDs to vary in their grasp of partner country negotiating positions on climate action, although most reported having a “moderate” understanding. Information sources mentioned by the Delegations included regular exchanges with line ministries, contacts with civil society organisations and participation in donor coordination meetings.

EUDs face a number of constraints that hamper their effective contributions to climate action. The one mentioned ardently is shortage of capacity and lack of specialised staff. Climate change was often a part-time occupation or tasks were split between colleagues. An exception here was the EU Delegation in China, which had two full-time staff on climate action. Most of the staff working on climate change was in operational divisions. In this respect, the EU Delegation in India provides an interesting counter-example, as the person dealing with climate change was located in the Office of the Head of Delegation. The three surveyed EUDs operating in emerging economies reported directly to DG CLIMA. Finally, funding was identified as a barrier to effective climate action in three cases. According to one respondent, only small-scale outreach projects had been conducted, due to the lack of funding, but this might change in the future, once funding from the new Partnership Instrument becomes available.

EU climate finance in 2014-2020: A bold step forward

Parties at the 16th COP session in Cancun (2010) agreed that deep cuts in global greenhouse gas (GHG) emissions are required, with a view to reducing global GHG emissions so as to hold the increase in global average temperature below 2°C above pre-industrial levels. To reach this goal, priority was given to scaling up climate financing. Developed countries (those under “Annex 1” of the UNFCCC) committed to jointly mobilise US\$100 billion per year up to 2020, from private and public, bilateral and multilateral sources. The

⁶⁹ For a full list of working groups in the ECCP, see:

http://ec.europa.eu/clima/policies/eccp/second/stakeholder/documentation_en.htm

⁷⁰ European Court of Auditors, 2013.

⁷¹ Currently the following EU MS are members of the GCF board: the Netherlands, Denmark, France, Germany, Check Republic, Hungary, Poland, Italy, Spain, Sweden, Belgium, United Kingdom

⁷² Court of Auditors Report 2013.

objective was to secure “new and additional financing” to support developing countries through mitigation measures, adaptation, technology development and capacity building.⁷³

The EU has taken concrete steps to honour this commitment, maintaining an upward trend in climate finance over the past decade (from just over €100 million in 2003 to more than €800 million in 2012). Between 2007 and 2013, the European Commission provided some €4.5 billion to developing countries for climate action through its development and external assistance policy instruments.⁷⁴ Between 2010 and 2012, despite the economic downturn, the EU and its Member States committed another €7.2 billion in “fast start finance” funds for climate action, surpassing its initial targets (though the accuracy of some of these figures is contested, as we will read later). This was in addition to Member State contributions adding up to €5.5 billion from their respective financial provisions.⁷⁵ Between 2008 and 2013, some €300 million were channelled to least developed countries and small island developing states through the Global Climate Change Alliance (GCCA). These countries are among those most vulnerable to climate change impacts.

Box 3 EU blending and climate change

“Blending” is an innovative financial instrument that combines grant aid with loans, used by the European Commission and Member States since 2007. To date, some €480 million in public grants has been committed under the blending facilities to more than 200 climate-relevant initiatives, including investments in infrastructure projects and support to the private sector, particularly small and medium-sized enterprises. In 2010, “Climate Change Windows” were introduced to all EU blending facilities to improve tracking and visibility of climate actions and ensure that project designs take into account carbon waste and climate-resilience considerations. Climate-related blending has leveraged some €6 billion in loans from European public finance institutions and regional development banks, corresponding to total project financing of more than €14 billion, benefiting low and middle income countries. Blending is one of the cornerstones of EU’s “Agenda for Change” development policy, which includes a commitment to increase the share of European aid provided through blending, “[to] increase the leverage effect of external assistance and underpin achievement of the EU’s external priorities”.⁷⁶

A major novelty in the EU budget for 2014-2020 is the commitment to spend at least 20 per cent (€180 billion) on climate-related activities. Moreover, climate action will be integrated into all major EU policies, including official development assistance (ODA). One of our respondents characterised this as “a strategic achievement for DG CLIMA, since it covers the entire EU budget, and also the European Development Fund (EDF) budget”. Climate finance is provided under both thematic and geographic programmes. The bulk of climate finance is channelled through bilateral programmes with partner countries and regional organisations.⁷⁷ The EU will contribute an estimated €1.7 billion to climate action in developing countries in 2014-2015 alone.⁷⁸

In the context of external relations, the European Commission provides climate finance from the EU budget and the European Development Fund (EDF). The Court of Auditors calculates that applying the 20 per cent target to all external aid would make available an estimated €11.6 billion for climate action under external aid.⁷⁹ During the 2014-2020 budget period, the EU will fund climate-relevant activities in vulnerable countries (including developing countries and countries with economies in transition)⁸⁰ through the following instruments:

- The Development Cooperation Instrument (DCI)⁸¹ – at least 25 per cent of the funds within the Global Public Goods and Challenges Programme⁸² under this instrument will go to climate change and environmental objectives,⁸³

⁷³ http://ec.europa.eu/clima/policies/finance/international/index_en.htm

⁷⁴ European Court of Auditors, 2013.

⁷⁵ http://ec.europa.eu/clima/policies/finance/other/index_en.htm

⁷⁶ http://ec.europa.eu/clima/policies/finance/other/index_en.htm

⁷⁷ European Court of Auditors, 2013

⁷⁸ http://ec.europa.eu/clima/policies/finance/other/index_en.htm

⁷⁹ European Court of Auditors, 2013

⁸⁰ The United Nations Framework Convention on Climate Change (UNFCCC) signed by over 160 countries was signed in Rio de Janeiro in June 1992. It divided countries in three groups: Annex 1 countries include industrialised countries that were members of the OECD, plus countries with economies in transition (EIT) in 1992. Annex 2 countries consist of OECD members that are not EIT. Non-annex 1 parties are mostly developing countries, recognized as especially vulnerable to adverse impacts of climate change.

⁸¹ The DCI finances (i) geographic programmes aimed at supporting cooperation with developing countries which are eligible for EU aid according to the established differentiation principle – in total, 27 countries – and regional cooperation in Latin America, Asia, Central Asia, the Middle East and South Africa; (ii) thematic programmes addressing global public goods and challenges, as well as support to civil society organisations and local authorities including those in countries that have been phased out of bilateral assistance programmes; and (iii) a Pan-African programme to support the Joint Africa-EU Strategy.

- The European Neighbourhood Instrument (ENI),⁸⁴
- The Partnership Instrument (PI) (see box 4);
- The European Development Fund (EDF)⁸⁵ – the EDF supports the Global Climate Change Alliance, which is a platform for dialogue and exchanges of experiences on climate change and for provision of technical and financial support to least developed countries and small island developing states;
- Humanitarian aid.

The Agenda for Change⁸⁶, which is the European Commission's guiding policy for programming development cooperation from 2014 to 2020, identifies among its key priorities reducing developing countries' exposure to climate change and ecosystem and resource degradation. EU support is to focus on high-impact sectors, such as sustainable agriculture and energy (e.g., access to low-carbon technologies and secure, affordable, clean and sustainable energy sources). The EU's leadership in supporting countries' mitigation and adaptation efforts is considered a key contribution to both climate security⁸⁷ and the sustainability of poverty reduction efforts.⁸⁸

Figure 2 provides an overview of the various climate finance flows from the EU to developing and emerging countries.

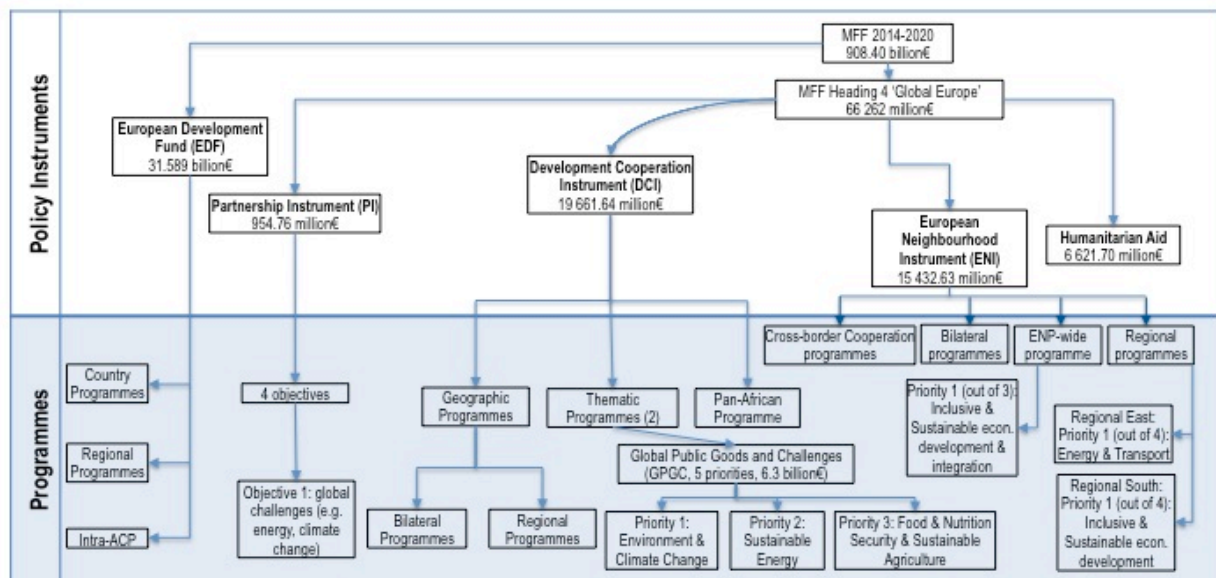


Figure 2 Climate finance flows of EU funding for developing countries, 2014-2020.

A detailed analysis of each instrument is beyond the scope of this paper. However, in Box 4 we zoom into the Partnership Instrument, newly created to support the external dimension of EU policies (particularly the Europe 2020 growth strategy) and to address major global challenges, such as energy security, climate change and the environment.

⁸² The Global Public Goods and Challenges programme has the objectives of supporting environmental sustainability and climate change dimension of development processes at all levels and support the transformation towards growth that is both inclusive, green and sustainable.

⁸³ In the previous DCI, there were 5 thematic programmes. Under the revised DCI regulation, the implementation of union assistance shall happen through: (a) geographic programmes; (b) thematic programmes, composed of (i) a 'Global Public Goods and Challenges' programme, and (ii) a "Civil Society Organisations and Local Authorities" programme, and (c) a Pan-African programme. The DCI will also receive €23 billion to focus on poverty eradication. In comparison, the 2007-2013 DCI had an allocation of 16.9 billion EUR. For further details, refer to: Official Journal of the European Union, 2014b: Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action.

⁸⁴ Covering Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, the Republic of Moldova, Morocco, occupied Palestinian Territory (oPt), Syria, Tunisia and Ukraine.

⁸⁵ The EDF is outside the EU budget, the main development cooperation instrument with Africa, Caribbean and Pacific States (ACP) and overseas countries and territories.

⁸⁶ http://ec.europa.eu/europeaid/what/development-policies/documents/agenda_for_change_en.pdf

⁸⁷ High Representative and European Commission, 2008.

⁸⁸ European Commission, 2013a.

Box 4 The Partnership Instrument for support to EU climate diplomacy

The Partnership Instrument (PI) complements the existing EU foreign policy toolbox by introducing an innovative interest-driven, unilateral funding mechanism that goes beyond conventional development aid. With global coverage, the PI promotes cooperation and dialogue with partner countries that are not already covered by other geographic or thematic instruments, in particular, Europe's strategic partners and graduated countries. Its rationale is to advance the EU's strategic interests worldwide, targeting mutual benefit and the promotion of EU values and standards.

The PI is also innovative in its programming, as it will not follow a country-based approach but rather one in which the different European Commission directorate-generals are the main clients. Possible activities include the uptake of market-based low-carbon policy solutions, green economy regulatory frameworks, energy dialogues and EU's "raw materials diplomacy". Beyond a focus on global challenges, the PI will promote trade, investment and business opportunities and enhance EU's visibility.

The Service for Foreign Policy Instruments (FPI) will collect draft proposals from line DGs, evaluating them based on their quality and EEAS priorities. The final outcome of the initial selection process has not yet been disclosed, and some proposals are still being defined. Our sources indicate that most of the projects likely to be financed are from DG TRADE and that in this first round only four projects from DG CLIMA have been retained for funding. Two of these focus on establishing emissions trading systems (in South Korea and Mexico). A joint programme submitted by the Directorate-General for Enterprise and Industry (DG ENTR) and DG CLIMA is also expected to be funded (in Mexico and Brazil). Furthermore, the PI in South Korea will reportedly include funds to scale up the institutional capacity of civil society organisations and to enhance these organisations' capacity to network with European counterparts on certain topics and to raise awareness of domestic private sector and legislators. An EU Delegation respondent in a country no longer eligible for EU aid noted that "the PI is extremely important to show that we are not just demanding but also helping".

The total envelope of the PI amounts to €954.75 million (in current prices). One of our interviewees described the PI as an "oversubscribed instrument", given its relatively small budget and global coverage. However, most respondents considered the PI to have strong potential with regard to EU climate action. This relates to the strategic and political nature of the instrument, rather than to the scale of projects financed.

It is too early to assess whether the PI will fulfil the EU's hopes. Its success will depend on how closely its actions are aligned with and complement political and diplomatic initiatives, and the extent to which opinion leaders and knowledge providers are engaged to support public diplomacy in the realm of climate action. If the PI is limited to technical projects, then its added value will be narrow indeed. Perhaps in the first phase, the PI could help to generate knowledge and insights to "oil the wheels" towards solving identified problems and shedding light on the political economy of climate change, not only within strategic partners but also within the EU's own Member States.

Programming is under way for all instruments. At the time of this writing, public information was available for 37 ACP countries (financed by the EDF)⁸⁹ and for 9 European neighbourhood countries (financed by the ENI).⁹⁰ There was still no information regarding the facilities that will be created for the various instruments.

With regard to ACP countries, 32 per cent of those for which information was available had named sustainable agriculture or food security as a focal sector in their National Indicative Programme (NIP). Of the NIPs examined, 29 per cent identify sustainable energy⁹¹ as a priority. In four countries (Kenya, Tanzania, Swaziland and Guyana) the two focal sectors chosen are crucial ones for climate change. Two countries (Kenya and Guyana) specifically mention climate change in at least one of their focal sectors.⁹²

With regard to ENI countries, 44 per cent identified a priority sector that is linked to climate change in one way or another (e.g., regional and rural development, environment or energy). Two countries (Jordan and Lebanon) identified sustainable energy⁹³ as one of their two priorities. With regard to multi-country initiatives, programming documents for the Eastern neighbourhood identify energy and transport and those for the Southern neighbourhood identify inclusive and sustainable economic development.

⁸⁹ http://europa.eu/rapid/press-release_MEMO-14-433_en.htm and http://europa.eu/rapid/press-release_IP-14-958_en.htm

⁹⁰ http://europa.eu/rapid/press-release_IP-14-977_en.htm

⁹¹ For Tanzania the focal sector is simply "energy", with no mention of sustainability.

⁹² For details on the EU's climate action in ACP countries, and specifically in Africa, see Tondel, Knaepen and Van Wyk (forthcoming 2014).

⁹³ In Lebanon the focal sector is "sustainable and transparent management of energy and natural resources". In Jordan it is "renewable energy and energy efficiency".

Challenges to effective implementation of EU climate finance commitments

In a 2013 report, the European Court of Auditors extensively analysed the obstacles to effective implementation of EU climate finance commitments. Two main barriers were identified: lack of a commonly agreed definition of “new and additional” in regard to climate finance; and lack of a common system for reporting and tracking climate finance among the EU and its Member States, which has led to double counting and diversion of development aid funds to climate change projects. For example, from 2010 to 2012, the EU and its Member States claim to have mobilised €7.34 billion for climate action, surpassing their initial pledge of €7.2 billion. Yet, the European Court of Auditors estimates total interventions to be €5.48 billion. Refining the EU’s definition of “additionality” and developing a robust monitoring, reporting and verification system for climate spending will go some way to eliminate such incongruities.⁹⁴

Having a baseline for measuring additionality is not only a technical issue; it is also a political matter, affected by budgetary constraints and the pressures on Member States to deliver on their commitments to both the 0.7 per cent ODA target and international climate finance targets.⁹⁵ The Court of Auditors recommends that the European Commission establishes a “roadmap” for scaling up climate finance to meet the 20 per cent target and that it creates a transparent tracking system.⁹⁶ It also suggests assigning a “contact point” for tracking within each funding programme, to overcome fragmentation.⁹⁷

DG CLIMA is set to develop a tracking system for post-2013 climate expenditure, using the OECD’s “Rio markers” (indicators developed for monitoring external finance for the Rio Conventions on Climate Change, Biological Diversity and Desertification).⁹⁸ In addition, some DGs (e.g., DEVCO and DG ELARG) already use tracking systems to monitor climate change finance. The main challenge here will be to introduce coherence to the instruments of the European Commission, other EU funding mechanisms and the systems set up by EU Member States. The method currently proposed provides a list of definitions and a stepwise approach to classification, from the level of broad priorities to work programmes and then to the individual project level. The Commission’s role is to ensure consistency. Furthermore, the MFF for the 2014-2020 period aims to increase joint programming of aid between the EU and its Member States in order to maximise impact.⁹⁹

5. Conclusion: Is EU climate leadership on the verge of meltdown?

Since the late 1980s, “climate action has developed into a central plank of the EU’s external policy [and become] an important source of its soft power”.¹⁰⁰ The EU has been a role model on emissions trading systems, which were an early cornerstone of EU climate policy and greenhouse gas emission reduction strategy. However, the EU’s leadership by example tactic reached its limits at the Copenhagen Summit of 2009. In an increasingly multipolar environment, emerging economies and developing countries became rather averse to normative approaches and conditionality measures. EU Member States pursued their own bilateral interests and pre-empted a unified EU position. As a result, the EU was marginalised in the final high-level negotiations in Copenhagen and kept out of the deal between the US and key emerging economies. After this debacle, the EU had to rethink its external climate action strategy.

The entry into force of the Lisbon Treaty brought opportunities for revamping the EU’s external climate action architecture. The Treaty created a legal basis for the European Commission to take a lead role in external representation of the EU in multilateral negotiations (including those on climate change). It identified sustainable development and climate change as key objectives of EU external action, and paved

⁹⁴ So far, there is no internationally agreed definition of what “new and additional” means. The European Commission has taken steps towards a common definition and has asked all Member States to declare their fast track climate finance and the definition of additionality applied. Answers were very diverse, and overall, Member States remain reluctant in identifying a common internal definition for additionality. See Knoke and Duwe, 2012.

⁹⁵ Knoke and Duwe, 2012.

⁹⁶ European Court of Auditors, 2013.

⁹⁷ Withana et al., 2014; Medarova-Bergstrom and Volkery, 2012.

⁹⁸ These include policy markers for climate change mitigation and adaptation. However, not all countries use the Rio markers in their reporting. In addition, EU Member States have different ways of converting the Rio markers into quantified climate finance flows. For details see EC, 2014c.

⁹⁹ Galeazzi et al., 2013.

¹⁰⁰ ETTG, 2014, p.17.

the way for creating a new DG and a dedicated Commissioner for climate action. The EEAS, with its impressive network of EU Delegations, established a complementary role in climate diplomacy. Yet, despite these institutional changes, EU capacity for effective climate diplomacy remains imperfect. We suggested a number of reasons for this: failure to integrate climate change into the broader framework of EU external relations; limited resources for external climate action (within DG CLIMA and the EEAS); limited buy-in on climate diplomacy at the EEAS political and senior management levels and in the EU Delegations; a gap between climate diplomacy objectives and the available resources and capacity; pervasive tensions between Europe's internal and external climate and energy objectives; and diverging interests of EU Member States.

Nonetheless, decisions taken in 2015 will set the course of our world's future and determine whether global challenges will – or will not – be addressed through collective action. Two major international agreements are to be signed: a new legally binding global treaty on climate change and a new sustainable development framework to replace the Millennium Development Goals. Although both agendas are interlinked, negotiations on each are taking place in separate tracks. But overall success will be a direct function of the level of ambition on both sides of the equation.

Europe is set to play an important role in both negotiation processes and is committed to an ambitious global climate agreement and a climate-proof post-2015 development agenda. It knows that failure to adequately address climate change will lead to political, economic and security risks that would vastly undermine EU interests. Europe has made bold financial commitments to scale up climate financing up to 2020, and it has mainstreamed climate action funding throughout its various budget instruments. The Agenda for Change, Europe's guiding policy for programming development aid, strongly emphasises sectors that are key to climate change mitigation and adaptation, such as sustainable agriculture and energy. This is already reflected in the focal sectors chosen by partner countries in their National Indicative Programmes. The newly created Partnership Instrument is designed to support the external dimension of EU policies (particularly the Europe 2020 growth strategy) and to address major global challenges, among them, energy security, climate change and the environment. It therefore has ample potential for use in support of the EU's strategy to reach out to strategic partners in the run-up to 2015.

On 10 September, the new President of the European Commission, Jean-Claude Juncker, presented his Commission and its Promethean tasks. The Juncker Commission brings hope to those Europeans who want to see the European Commission regain a political role and move away from the prevailing silo mentality. Vice-presidents have been entrusted with specific tasks, to be carried out in close cooperation with the relevant commissioners and the services that report to them in what has been called "project teams". This is expected to boost European Commission's political leadership.¹⁰¹ According to Elmar Brok, "this new set-up of is the best way of organising the European Commission ever"¹⁰².

However, there are a number of reasons for concern that EU climate change is the "biggest loser"¹⁰³ of the new European Commission:

- **Climate change has been demoted.** One of the most criticised changes introduced by Juncker is the merger of the climate change and energy portfolios under one single Commissioner for Climate Action and Energy¹⁰⁴, operating under the Vice-President for Energy Union.¹⁰⁵ This has raised speculation that energy security will be prioritised over climate change in the coming years. Furthermore, the election of Donald Tusk as President of the European Council casts doubt on EU's political leadership on climate, as Poland has systematically tried to hold back European climate policy. This set-up could seriously undermine EU's credibility as a global leader in climate action.

¹⁰¹ Note that this was one of the recommendations made by the European Think Tanks Group to the incoming EU's leadership in their memo published in September 2014: "Our collective interest: Why Europe's problems need global solutions and global problems need European action".

¹⁰² Intervention of Mr. Elmar Brok on the 10th September 2014, during ETTG Report's launch event (To re-watch the event: <http://www.ettg.eu/2014/09/watch-reconciling-values-and-interests.html>).

¹⁰³ EurActiv, 2014.

¹⁰⁴ Mr. Arias Canete (Spain's nominee to the Energy and Climate Action portfolio) seems particularly unfit for the job: his right-wing government has cut subsidies for renewable energy in recent years, and he was forced to sell his shares in two oil companies after he was criticised from all sides.

¹⁰⁵ Mrs Alenka Bratusek, from Slovenia, has been nominated for this post. The VP for Energy Union will be tasked with reforming and reorganizing Europe's energy policy into a new European Energy Union, and with steering the work of the Commissioners for climate action and energy, transport, internal market, industry, environment, regional policy and science.

- **EU's external climate action profile has been weakened.** Not having a dedicated Climate Action Commissioner might downgrade the EU's political image on the global stage just as important negotiations are due to begin.¹⁰⁶ But this is not all. Juncker's Commission fails to link EU's climate change with EU's foreign policy. The mission letter sent to the Commissioner for Climate Action and Energy makes no explicit reference to sustainable development, or international security. The mission letter addressed to Federica Mogherini, nominated as High Representative and Vice-President of the European Commission, does mention that she will be able to draw on policy instruments and expertise under the Climate Action and Energy Commissioner's responsibility. But the project "A Stronger Global Actor", for which she is responsible, does not mention the global fight against climate change. Regrettably, the connection between climate action and sustainable development is left to Neven Mimica, Commissioner for Development and International Cooperation. These omissions and absence of political support at the highest level will make it difficult to ensure synergies between the post-2015 development agenda and the UN Framework Convention on Climate Change. It is also a missed opportunity for the EU to strengthen its external climate action profile, while ensuring synergies between the UNFCCC and the Sustainable Development Goals negotiations.

The EU's success in shaping the global agendas on climate and on sustainable development will largely depend on whether Europe's new leadership can hit the ground running, and there is no time for trial and error. If the EU wants to remain an effective global leader in combating climate change, five areas require rapid attention at the highest level, and in particular, from the European Parliament.

First, the new Vice-President for Energy Union should be upgraded to a Vice-President for Climate Action and Energy Union. Green10, a group of leading environmental NGOs active at the EU level, also makes this claim¹⁰⁷, and have a strong case for establishing a Vice-President for Sustainability, coordinating the environment, agriculture, fisheries and regional policy portfolios.

Second, the Commissioner for Climate Action and Energy will need to push for ambitious internal energy and GHG targets to be reached by 2030, as the EU's credibility on the global stage depends on this.

Third, the High Representative of the Union for Foreign Policy and Security Policy should receive the mandate to work closely with the Vice-President for Climate Action and Energy Union, and the Commissioner on Climate Action and Energy Security. Moreover, the HR/VP should be entrusted with the mainstreaming of the Sustainable Development Goals agenda throughout EU's foreign policy. This is needed to ensure that external climate action and sustainable development remain at the top of EU's foreign policy agenda and are consistent with each other. This responsibility cannot be left to the Commissioner for Development and International Cooperation alone.

Fourth, the EEAS' capacity in climate change should be strengthened, both at Headquarters level and in the EU Delegations. The EEAS has a crucial role to play in steering coordination, across Member States and across policy areas, breaking down the barriers between diplomats and experts working in silo style in their respective sectors from energy, climate change and transport, to agriculture, food security and water. The Green Diplomacy Network (GDN) has an important role to play. But efforts to reach out and engage with progressive, like-minded partners should be stepped up. In this respect, it will be important for Member States and the European Commission to pool resources, particularly with regard to EU climate intelligence.

Finally, the new Commissioner for Development and International Cooperation, Neven Mimica, will need to pursue further integration of the environmental and development agendas. In a context of aid differentiation, the EU needs to ensure that mitigation and adaptation measures, green investment and sustainable growth feature strongly in political dialogue processes (and knowledge exchanges) with its partners, including in emerging economies. Furthermore, and as argued by the European Think Tanks Group, the Commissioner for Development and International Cooperation should push for the inclusion of specific goals on energy efficiency and renewable energy in the post-2015 agenda and Sustainable Development Goals.

¹⁰⁶ This was pointed out in a letter co-signed by 25 conservative, socialist, liberal and green members of the European Parliament from the environment and energy committees. See www.euractiv.com/sections/energy/parliament-reacts-junckers-plan-merge-energy-and-climate-portfolios-308235

¹⁰⁷ Green10, 15th September 2014.

List of Acronyms

ACP	African, Caribbean and Pacific
BASIC	Brazil, South Africa, India and China
COP	Conference of the Parties
DCI	Development Cooperation Instrument
DG	Directorate-General
DG AIDCO	Directorate-General for Aid and Cooperation
DG CLIMA	Directorate-General for Climate Action
DG DEV	Directorate-General for Development
DG DEVCO	Directorate-General for Development Cooperation
DG ELARG	Directorate-General for Enlargement
DG ENTR	Directorate-General for Enterprise and Industry
DG RELEX	Directorate-General for External Relations
EC	European Commission
ECCP	European Climate Change Programme
EDF	European Development Fund
EEAS	European External Action Service
ENI	European Neighbourhood Instrument
ETS	Emissions Trading System
EU	European Union
GDN	Green Diplomacy Network
HR	High Representative
IPCC	Intergovernmental Panel on Climate Change
MFF	Multiannual Financial Framework
NIP	National Indicative Programme
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
PI	Partnership Instrument
REDD	Reducing Emissions from Deforestation and Forest Degradation
UN	United Nations
UNFCCC	United Nations Framework Convention on Climate Change
VP	Vice-President of the European Commission

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