

## Europe's Green Wave and the Future of the Energy Union

by Lorenzo Colantoni

The May 2019 European elections have come and gone, but the much-feared black wave of populist and extreme right-wing parties did not take place. Instead, Europe witnessed a green wave, as the Greens/European Free Alliance (EFA) grouping secured 69 seats in the European Parliament, up from 52 in the previous 2014 elections.

Meanwhile, and despite the victory of Matteo Salvini's League party in Italy and Marine Le Pen's National Rally in France, populist and right-wing parties underperformed in the elections, with the Europe of Nations and Freedom (ENF) grouping securing 58 seats. The ENF will be largely marginalised in a parliament still dominated by the European People's Party (EPP) (180 seats) and the Socialists & Democrats (S&D) grouping (146 seats).

At the national level the green wave was even more remarkable. Green national parties received the second largest number of votes in Germany, third in

France, where it was the first time they participated in European elections, and fourth in the UK, where they received more votes than the Conservative Tory party and a similar share compared with the Labour party.

These political developments will have major consequences, influencing nominations for the new European Commission and, more generally, the shape of European policies in the years to come. In this respect, European energy and climate policies will also be affected and it is here that the green wave may prove to have a much welcomed impact on European policy.

The Greens could indeed be part of the ruling coalition in the parliament. Such a scenario would emerge if the prospect of a quite stretched alliance between the EPP, S&D and the Alliance of Liberals and Democrats for Europe (ALDE) is considered unfeasible, leading the Greens/EFA to replace ALDE, or in the eventuality of a broader coalition

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including both ALDE and the Greens/EFA, together with the EPP and S&D.

The voting results do show the consolidation of pro-climate and environment stances over the significantly milder positions on the topic by traditional parties, or the climate-denying attitude of most of the European extreme-right. Climate change – or global warming – is indeed considered a key topic by voters, as indeed demonstrated by the pre-election debates in a number of European states such as the Netherlands.<sup>1</sup>

Politicians will have to take these developments into account and it seems reasonable to expect more ambitious policies and reforms at both the European and national levels. The new Commission could increase energy efficiency targets and emissions reduction measures. Considering the results of the recent elections, such efforts can be expected to meet less opposition compared to the previous Juncker Commission.

Barriers to a more effective European energy and climate policy are not limited to the opposition of climate change deniers, however. Also and perhaps more important is the lack of cohesion among European member states.

Notwithstanding internal constraints, the Juncker Commission did deliver a rather valid proposal for a common

<sup>1</sup> Ery Papalamprou, Fengwei David An and Robert Steenland, "EU Country Briefing: The Netherlands", in *EURACTIV*, 25 Apr 2019 (updated 16 May 2019), <https://www.euractiv.com/?p=1335380>.

European approach to energy and climate, introducing this as a model to guide policy making and governance in these sectors: the Energy Union.

Exploiting not only the green wave, but also the largely pro-European orientation of the new European parliament, the Energy Union can build on its previous four years of activity and make important improvements in areas where it has met less success.

Decarbonisation and energy efficiency, in particular, but also security of supply and energy diplomacy are key areas where improvements are needed. If successful, a reinvigorated Energy Union could not only improve European climate policies, reinforcing the EU's lead international role in this domain. It could also become a guiding model for a reinvigorated and strengthened European Union as a whole, giving new direction and meaning to the European project.

The Energy Union was created in 2014 by the Juncker Commission as a new umbrella for European energy and climate policies. Despite being originally conceived with a strong emphasis on energy security and a rather anti-Russian orientation, the initiative did eventually expand its focus to include not only energy security and supply but also the energy market, energy efficiency, decarbonisation and research and innovation (as highlighted by the Communication launching the initiative<sup>2</sup>).

<sup>2</sup> European Commission, *A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy* (COM/2015/80), 25 February 2015, <https://>

The European Commission and in particular Maroš Šefčovič, the Vice-President in charge of the Energy Union, did significant work on all dimensions (perhaps with the exception of the often neglected research and innovation component).<sup>3</sup> These ranged from extensive investments in energy diplomacy on the North-Eastern border, starting the trilateral talks between the EU, Russia and Ukraine, and the Eastern Mediterranean, focusing on strengthening the connection between the EU and the large new gas discoveries in the area.

While the EU energy market also benefitted from increased interconnections and an opening in some of the most closed national markets (particularly France),<sup>4</sup> the work done on decarbonisation and, to a lesser extent, energy efficiency has been particularly relevant. In November 2016, the Energy Union delivered the EU's largest set of energy and climate related legislative proposals.

Known as the Clean Energy Package,<sup>5</sup> these span more than a thousand pages, including proposed regulations,

[eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52015DC0080](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52015DC0080).

<sup>3</sup> An in-depth analysis of the four years of activity of the Energy Union and the member states' contribution through the National Energy and Climate Plans has been published by IAI in May 2019: *Energy Union Watch*, No. 15 (Special Issue, May 2019), <https://www.iai.it/en/node/10395>.

<sup>4</sup> European Commission, *Fourth Report on the State of the Energy Union* (COM/2019/175/2), 13 May 2019, [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52019DC0175R\(01\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52019DC0175R(01)).

<sup>5</sup> European Commission website: *Clean Energy for All Europeans*, <https://ec.europa.eu/energy/en/node/133615>.

directives and communications (as well as a much awaited new renewables directive). Most of these were successfully adopted after tough negotiations with the Council and Parliament.

The package also touched on the topic of governance, but the Commission discussed this in more detail in one of its last Communications released in April 2019, entitled "A more efficient and democratic decision making in EU energy and climate policy".<sup>6</sup>

The Communication proposed the adoption of majority voting, instead of unanimity, in all energy and climate related decisions, also asking for an EU-wide system of energy taxation. As one of its last actions, the Commission clearly outlined what it believes is the main obstacle to a common European energy and climate policy: member states.

Overall, the Juncker Commission's Energy Union initiative successfully achieved much of what its predecessors did not thanks its embrace of a comprehensive approach. This entails a greater focus on the energy and climate sectors *per se*, and not simply as complementary to industrial or transport policies, while successfully harnessing the global *momentum* of the energy transition – and the EU's ambition to be a global leader in climate policies.

<sup>6</sup> European Commission, *A More Efficient and Democratic Decision Making in EU Energy and Climate Policy* (COM/2019/177), 9 April 2019, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52019DC0177>.

Yet, these efforts have been systematically undermined by member states. In the realm of security of supply, Germany's unilateral decision to double Nord Stream 2 notwithstanding the opposition coming from a number of member states and the Commission itself is one example. In the decarbonisation domain, improvements have been limited by the opposition of many Central and Eastern European countries, Poland first and foremost.

Indeed, the National Energy and Climate Plans presented by member states over the past months,<sup>7</sup> as requested by the new rules on energy governance, largely show a mismatch between the EU and national levels on almost all dimensions. This lack of cohesion not only decreased the negotiating power of the EU, but also contributed to mistrust among member states, weakening the effectiveness of the common vision proposed by the Energy Union.

In appointing the new President of the Commission, the newly elected European Parliament will need to consider all dimensions in order to support continued improvements in EU energy and climate policy. The urgency of the fight against climate change, the important business opportunities offered by the declining cost of renewables, the rise of a new batteries industry (a component of another proposal made by the Energy

Union<sup>8</sup>) and the continued competition coming from China, Russia and the US make a united European stance a key necessity.

The results of the European election could make this objective achievable. The new Commission will however need to embrace and possibly even expand the energy governance reform proposed by Vice President Šefčovič in order to overcome internal divisions among member states, particularly in decarbonisation, which should be accorded first priority.

The greater importance given to energy and climate policies by European voters should also spur the Energy Union to strengthen links between EU institutions and European citizens. This will not be an easy undertaking, but only by boosting citizen participation in these efforts can the leaders of individual member states be slowly convinced about the necessity to find common approaches to these challenges.

In this regard, the new Commission should embrace and strengthen public relation campaigns and citizen engagement initiatives, such as Šefčovič's two Energy Union tours across the EU's 28 member states.<sup>9</sup> Moreover, it could also build on and further strengthen the EU's image as a leader in the fight against global

<sup>7</sup> European Commission website: *National Energy and Climate Plans (NECPs)*, <https://ec.europa.eu/energy/en/node/134286>.

<sup>8</sup> European Commission website: *European Battery Alliance*, <https://europa.eu/ldP33Jk>.

<sup>9</sup> European Commission website: *2017-2018 Energy Union Tour. Second Energy Union Tour on Its Opportunities for Europe*, [https://ec.europa.eu/commission/priorities/energy-union-and-climate/2017-2018-energy-union-tour\\_en](https://ec.europa.eu/commission/priorities/energy-union-and-climate/2017-2018-energy-union-tour_en).

warming, thereby also reinvigorating the EU's *raison d'être* while potentially providing a model for the reform of other areas of European action weakened by internal divisions. Ultimately, this could trigger the definition of a new approach for the EU as a whole.

As Europe's green wave rises, and negotiations for the new Commission begin, now is the time to make the most of this historic opportunity.

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