



Building Europe's (Energy) Future

A manifesto for an *European
Community for Energy Transition*

BY

**MAXIMILIAN MÜNGERSDORFF, FREDERIC HANUSCH, MIRIAM SCHAD, EDGAR VOSS,
SOPHIA SCHÖNBORN, LEA SCHMITT & MARCEL SIEPMANN**

WITH CONTRIBUTIONS BY

**THOMAS AKSAN, ANDRZEJ ANCYGIER, EDWARD ANDERSSON, PIOTR BURAS,
SEBASTIAN BUSCH, FELIX CREUTZIG, WERNER FIEDLER, SEVERIN FISCHER,
SUSANNE LANGSDORF, HEIKE LEBERLE, CLAUS LEGGEWIE, NATALIE MCCOY, DIRK
MESSNER, NEBOJSA NAKICENOVIC, PATRIZIA NANZ, LENE OLSEN, HERMANN
E. OTT, CHRISTOPHE SCHRAMM, STEPHAN SINGER, KAREN SMITH-STEGER,
ALEXANDRA SOMBSTHAY, BERND SOMMER, BRITTA THOMSEN, KLAUS TÖPFER,
CLAUDE TURMES, JORGE VASCONCELOS, GERD WESSLING & KLAUS WILLNOW**

ABOUT THIS PAPER

This paper was first drafted as an initiative of the graduate-program „Climate Change and Democracy“ of the Hans-Böckler-Foundation (HBS). Members of the program, which is settled at the Institute for Advanced Study in the Humanities (KWI) since 2011, are Maximilian Müngersdorff, Frederic Hanusch, Miriam Schad and Edgar Voss as well as Sophia Schönborn, Lea Schmitt (associated member/former associated member) and Marcel Siepmann (coordination). The program is led by the director of the KWI, Prof. Dr. Claus Leggewie.

The Paper was then discussed and reviewed at the KWI/HBS-workshop “Renewable Energies in Europe and Beyond

– Effective, Democratic and Fair?” in September 2014. At the workshop the experts listed above have helped shaping our paper to its final version.

The workshop was moderated and conceptualized as a participatory expert workshop by Nonno Breuss (Integrated Consulting Group GmbH (ICG)) and Giulia Molinengo (KWI). The paper was also reviewed and edited by the dpa-journalist Wolf von Dewitz (dpa-insight-eu) and by Prof. Dr. Patrizia Nanz.

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ECET – The European Community for Energy Transition is a vision for an Energy Union which represents an approach directed at transforming Europe into a community that overcomes national borders and deepens democracy. With this new approach to an integrated energy policy we propose the vision of a new community in addition to already existing EU structures. ECET does not aim at replacing those structures but provides space for new ideas and possibilities especially on behalf of the belief in a “generalisation of interests” by finding “solutions without borders”.

1. Time to step up

Europe's energy policy is at a crossroads. Traditionally driven by purely national politics, the European Commission is pushing for a broader framework to shape the energy mix towards greater coherence. But up to now the member states have not been on board: The option of Europeanising national energy policy remains only theoretical as the EU states have not been willing to give up parts of their national competences. This discrepancy between the European perspective and national realities remains a central problem in energy policy and has undermined the EU's action to fight climate change.

Being at the forefront of the December 2015 UN Climate Summit in Paris, the EU institutions need to take further steps on Europe's path to becoming a low-carbon economy. All institutions have accepted the long-term target of reducing greenhouse gas emissions by at least 80 per cent by 2050. In the upcoming months and years they have to decide on legislation for the medium-term targets for 2030.

We believe it is time to step up and give the EU's energy policy a new dynamic. In EU politics, motivation on climate action seems to decline – whatever the EU institutions may decide on upcoming legislation, it is very unlikely that the EU will put in place very ambitious binding targets for the next decade.

This ambition can be revived with a new approach to energy policy. Therefore, we propose the vision of a new community in addition to already existing EU structures. It shall make the energy system more transparent and more participatory, as a result increase pu-

blic acceptance on energy matters and ease scepticism on the construction of new power lines, wind mills or photovoltaic installations. We call this new approach ECET: the European Community for Energy Transition.

This manifesto does not intend to take a standpoint on the 2030 climate and energy framework, **but shall present new paths and ideas on how to overcome traditional policymaking structures. Those “old” structures – policymaking from the national perspective without broad public participation – were more an obstacle than a driver of energy transition in recent years.** Increased transparency and a strengthening of democratic participation are the keys to set a new dynamic in motion. Let us build the ECET: The key to the energy transition.

2. Status quo of EU energy policies

The European Union is struggling to find common ground on its future energy policy. Europe has traditionally seen itself as a global leader on Climate Action but shrinking policy ambitions, also in the aftermath of the global financial crisis, jeopardise this position. The long-term consensus to lower CO₂ emissions is radically contradicted by the snail's pace in medium-term policy. New targets for 2030 have been adopted in October 2014 by the European Council, but they do not put ambitious climate action at the core of EU policy. European heads of state could only agree on the lowest common denominator: 40 per cent CO₂ reduction and only 27 per cent targets for both renewable energy and



energy efficiency by 2030. The RE and the efficiency targets shall both be nonbinding at national level.

While Brussels is getting closer to concrete legislative steps on the 2030 roadmap, the public perceives energy policy with greater scepticism. Energy policy is seen more as a threat than as a means to a sustainable future in Europe. Large parts of the public feel dis-

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connected from the energy policy-making process and are dissatisfied with the supposedly undemocratic decisions. These concerns show how important it is to include the general public. Instead of presenting a

“fait accompli,” taken in a somehow isolated political arena, the public wants to play an active role.

In 2007, when the EU’s heads of state agreed on the 2020 climate package, this decision was also a means of revitalising European integration after the failed

referenda on the Constitutional Treaty. However, in accepting the first climate package in 2007, the message was clear: The EU stands together. Brussels and the member states set relatively ambitious climate targets and the EU presented itself as a role model for global climate action. European leaders believed that if they stepped forward, other world regions would follow.

Now, seven years later, the framework conditions are very different. Two major events have changed the situation drastically. Firstly, the UN Climate Summit in Copenhagen which led to a dead end in negotiations rather than a global-level breakthrough on climate action. Secondly, the financial crisis severely hit both consumers and industry. Member states, especially in Southern Europe, had to deal with massive budget deficits, which partly led to a cut back of their renewable energy subsidies. It is no exaggeration to see the financial crisis as a threat to Europe’s energy transition.

It remains to be seen how the composition of the European Commission under Jean-Claude Juncker will affect climate and energy policy in Europe. “We

need to strengthen the share of renewable energies on our continent,”¹ he clearly states in his Commission priorities, as he wants “Europe’s Energy Union to become the world number one in renewable energies”.

Environmentalists fear that these words are mere lip service and that Juncker will not prove willing to deliver on these plans.

3. Our Vision

Europe has always represented both a current reality and a promising future. As Eric Hobsbawm once put it, Europe’s history “is not so much a geographical space or a human collective, but rather a process.”² After the experiences of the Second World War, Europe established a completely new model of coexistence which gradually became today’s European Union. Europe’s rise began with the establishment of the European Coal and Steel Community, which proved to be not only a visionary idea but also an engine for the European integration process. Critics might argue that a fully completed common energy market with sustainable production all over Europe is a utopia. But how far from reality was the idea of a single currency for Europe initially? The Euro shows that joint efforts on a common vision can become reality and an important part of European integration. Why should a similar vision for the energy field be less realistic?

The ECET is a vision that not only will lead to a greater degree of independence, but also seeks to construct Europe more democratically by understanding participatory procedures as an opportunity. It will overcome traditional top-down-policy structures and complement them with a bottom-up-approach. Energy policy as a whole will be revived and will lead to a stronger sense of cohesiveness instead of the currently predominant sentiment of being excluded as a citizen.

ECET is a means of increasing the dialogue between different stakeholders all over Europe. Far too often, this dialogue is missing, which means that there are no chances at all to find a solution hand in hand. As mentioned before, energy policy in Europe is driven

by national elements and is fragmented in a regional landscape with little contact amongst the different, more or less isolated stakeholders. This lack of contact will be tackled with ECET: It represents an approach directed at transforming Europe into a community that overcomes national borders, not as an end in itself, but as a means of introducing more appropriate solutions for challenges that transcend borders (“solutions without borders”). This offensively incorporates the idea of Europe as an inclusive offer to its peripheries like the Mediterranean, the old Mare Nostrum.

To reach this goal, ECET will operate on different levels: at the supranational level as well as at the transnational level, based on cooperation among regions, institutions and other groups. At the supranational level, ECET would include all member states and address aspects of common concern, such as the establishment of a European smart grid system or a so-called super grid, common renewable and energy efficiency targets and clear framework conditions for Cooperations. On the transnational level, stakeholders from the regional level, the economy or civil society would form groups of common interests.

Both levels would give space for a new dynamic apart from old-fashioned, entrenched structures at EU level that have proven to be ineffective in recent years. ECET will help to overcome a nationally perceived, structured and organised energy market. Therefore, Europe will pursue new ways of cooperating.

Thus, the means for ECET policies would no longer be the product of intergovernmental or EU level negotiations alone but

instead would be both functional and transnational at the same time. Leadership from big countries would no longer be necessary when coordinated cooperative and decentralised actions are on

the rise and creates its own capacity. This shall provide the foundation for establishing a genuine “generalisation of interests,” as Jürgen Habermas has described it,³ that

ECET will help to overcome a nationally perceived, structured and organised energy market.

1 Jean-Claude Juncker: “My priorities.” <http://juncker.epp.eu/my-priorities>.

2 Eric Hobsbawm, “Die merkwürdige Geschichte Europas,” in *Wieviel Geschichte braucht die Zukunft?* (1998), pp. 275–287, here pp. 283–284.

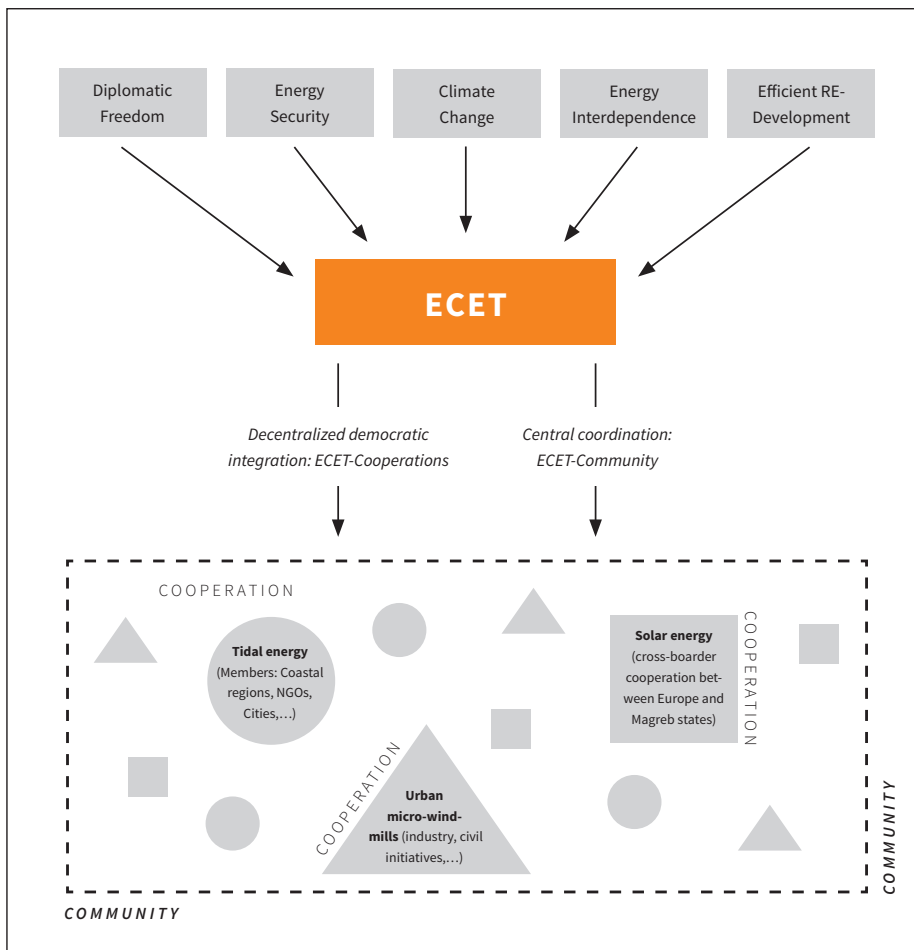


Image: The possible structure of ECET

views Europe more as a map of opportunities for finding the best possible solutions by applying not a national but a problem-oriented perspective, creating 'new regions' based on common projects instead of geography alone. A cohesive and coordinated European energy policy, based on renewables and energy efficiency, would not only improve the efficient exploitation of the EU's natural energy potential, but would also tremendously enhance the Union's energy security. Further, this to-be-established energy independence could also translate into a new political freedom on foreign policy issues, both for individual national governments and the EU as a whole. This could lead to completely new perspectives vis-à-vis Europe's periphery, future neighbourhood cooperation and potential EU memberships.

ECET seeks to initiate a process that can spread to other policy areas and at the same time involve in-

creasing numbers of European citizens by means of local and transnational arenas of public participation. In this fashion, policies for renewable energies and energy efficiency are a starting point for deepening democratic and participatory structures within Europe. As the plans are realised, the costs of energy transition will decrease. This will broaden public acceptance and put energy policy where it belongs: A catalyst for further EU integration at the heart of EU democracy. To give a more practical outlook we will now describe certain levels on which ECET could operate.

4. Challenges and potential solutions for ECET

The democratic drivers and allies

As a catalyst ECET depends on and seeks the support from stakeholders in different policy fields, from civil society and academia as well as politicians, managers and engineers. **As a principle, ECET shall include officials, interested citizens as well as industry and civil society representatives.** This openness will facilitate the development of our new Community as a publicly-accepted body. ECET would not be a "distant" political institution over which citizens feel to have no control, but rather an extension of them, a community for Europeans to master the challenges of the energy transition together.

3 Jürgen Habermas, "Für ein starkes Europa"—aber was heißt das?" in *Blätter für deutsche und internationale Politik*, 3/2014, pp. 85–94, p. 94. Habermas uses the German term "Interessenverallgemeinerung."



This is maybe the most important aspect and also chance of these alliances: to overcome energy nationalism and to push forward a “generalisation of interests”. It is likely that our new organisation will at first face criticism because it intends to break up traditional structures. There will be forces of inertia, especially from the fossil fuel industry, and natural allies from the renewable and energy efficiency sectors.

It should be made perfectly clear that ECET would not be any kind of rival body to existing policy mechanisms. It would rather complement them and lead to more transparency in the energy field as a whole. This might increase public acceptance of energy-related decisions. It would bring energy issues to the people and push them to take up a more active role. A positive “side-effect” of ECET: This new, active role could tear people out of their lethargy as energy consumers and be the starting point for turning them into “prosumers” – proactive consumers who are fully aware of how to optimise their energy consumption.

The entire process of establishing and consolidating ECET should be designed as an inclusive process

in order to ensure public support. Key components of such democratisation from the very outset include the integration of different actors at different levels and from different regions. Decentralisation should be particularly ensured by the ECET-Cooperations. Political integration and decentralisation are not a contradiction but they are mutual reinforcing.

“New regions” respectively non-territorial regions will be essential. The days of solving problems exclusively between member states or between actors at EU level are over. Those non-territorial regions can, for example, consist of different companies that cooperate with a region in Southern Europe with the common objective of developing a solar park. ECET can provide those subnational entities flexibility and problem-oriented opportunities. Far too often, enterprises do not get in touch with authorities or other partners in different member states simply because they lack the networking contacts but too often also the sensibility to seek for allies in other nations that face the same challenges. As a platform, ECET would provide them with the needed contacts. It would also give them the

feeling that they do not have to limit their scope of action by limiting their range of alliances and take on innovative Cooperation and business models.

To some extent, such Cooperations are on the way to becoming a reality, as we can see in ideas and concepts around the Helios photovoltaic project in Greece or the Desertec plans in Northern Africa. But so far these projects only exist on paper and face existential problems, as in the case of Desertec, which largely lost the backing from the industry. These projects are short of investments, suffer from red tape or lack adequate (transmission) infrastructure. Our Community could serve as a tool to push forward these and other projects and could also, as mentioned before, strengthen the European periphery.

For ECET major allies would be large cities. They face many common problems which the energy transition should help solving, e.g. air pollution or shifting their inhabitants' behaviour towards a more sustainable mobility or efficient energy consumption. ECET would help to strengthen existing cooperation structures between cities and create new ones. ECET would be an advisory body with professional expertise and at the same time a network where stakeholders meet and exchange best practices. Nowadays, too many energy

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projects continue to exist like disconnected "silos," where valuable experience is isolated and therefore useless for the European Community as a whole. A connection between these "silos"

of knowledge and the pooling of their interest (and power) would enrich Europe and would be a decisive step forward on the EU's path towards green growth.

The design

ECET shall provide both levels, the community and the Cooperations, with the appropriate legal and institutional toolkit for legitimate and workable governance structures. In legal terms, ECET could be established

either by strengthening the Energy Title of the EU's currently in force Lisbon Treaty or by ratifying a new treaty outside of the EU structure, modelled as a new European Coal and Steel Community. Changes to the existing EU Treaty could be a way forward, but given current political realities, it would be difficult to put these into practice and muster the needed high-level political support.

The structure of ECET shall correspond to its plans for a decentralised energy system: It shall avoid any one-sided and overly simplified centralism.

Symbolically, one might think of a big tree: In the middle of ECET, you have a super-energy council as advisory body and networking tool as well as the Council of the EU and the European Parliament – so to speak: a massive trunk –, and as its limbs you have different Cooperations on different

ECET shall avoid any one-sided and overly simplified centralism.

topics. Those topics include technologies in general (solar, wind, hydro, biomass, tidal), sectors (mobility, heating, electricity), energy efficiency, storage capacity, the whole field of renewable heat, neighbouring Cooperation (e.g. the Danube Region) and entities that are facing the same challenges such as islands or cities.

A new institution like the mentioned "super-energy council" could be the right platform to give ECET the needed visibility in public without the uncertainty of EU treaty changes. Such an extra council would be linked to EU institutions, as an advisory body, but also have direct participation of Members of the European Parliament (MEPs) and representatives from national and regional parliaments. ECET's cooperative, partnership-based character would be intensified with such a council. Similar advisory organisations such as the Committee of the Regions already exist, but their design is based on traditional structures and cannot address the need for new forms of dialogue, e.g. of the already mentioned non-territorial regions. Furthermore, the Climate Parliament, a loose alliance of members of national parliaments from all over the world, is another actor which can contribute to ECET's aim of a green future.

On both the community and Cooperation levels, ECET should include core goals (such as developing a

smart grid) and democratic procedures right from the start. When it comes to its legal setup, the relationship between ECET and existing platforms of political, economic, and administrative collaboration in the renewable energy field (e.g. the Energy Community, the Agency for the Cooperation of Energy Regulators) would need to be determined. And even a European support schemes could be a long term goal although it is highly controversial at the moment

To convince states to provide Cooperations with the necessary scope of operation, the identification of possible best practice solutions would be helpful, e.g. a common offshore wind park in the Baltic Sea as a result of the cooperation between (trans)national entities from Sweden, Latvia, Lithuania, Poland and Germany etc.

The question of how to finance ECET is left open. While it is of utmost importance that ECET be independent, it might be appropriate to have access to EU funds. The Emissions Trading System (ETS) could also serve as an income source and a certain number of certificates could be earmarked so the money would be spent on ECET projects.

To guarantee legitimacy and acceptance of everyday decision-making and discussion structures, ECET will not be a top-down-driven and -structured project. The integration of different (civil) actors and stakeholders as “experts of their region/RE-field” as well as fairness between those actors is crucial. We intend to strengthen bottom-up policymaking by making participation and subsidiarity a driver of an efficient and widely accepted ECET. Traditional top-down structures

ECET will not be a top-down-driven and -structured project.

would to some extent be replaced, as they would be modified and enriched

with new elements that strengthen the dialogue-based character of policymaking. The dominance of powerful institutional actors, such as transnational companies or lobbying agencies, would be discouraged and their influence at least made transparent.

Cooperations are an integral part of ECET as they reflect and ensure its decentralised character. Their democratic legitimacy could be assured by connecting them to (sub-)national political bodies

and/or legal institutions. It is therefore important to discuss how such Cooperations could be committed to implementing specific participative elements directly in their development processes. Ex post critique can thus be avoided, as different viewpoints are already involved (“meet their concerns”).

So how could ECET change the political energy landscape of the future? We have summed up nine potential answers:

5. Key Messages

1. National or regional borders will play a shrinking role in energy policy as non-territorial regions will drive common energy projects forward in the sense of a “generalization of interests”.
2. Energy will be a participatory policy field. Not only politicians and managers, but NGOs, unions, engineers, academics, and citizens will be included in the decision-making process.
3. Europe’s energy system will be more transparent and more democratic.
4. Public acceptance of energy projects will be high, because the people will feel included and not left out.
5. Top-down and bottom-up policy streams are to be fused into one interdependent system of policy decisions.
6. The coordination between the different policy-makers will be strong, both across borders and across sectors.
7. The exchange of expertise will lead to improved skills in the energy business across Europe.
8. The cost of renewables will have gone down, since their production will be more efficient due to a better use of topographic features (solar energy in the South, wind energy in the North, tidal energy in the West).
9. With renewables as the main energy source in the future and its high level of ownership amongst citizens, the distribution of profits in the energy sector will be fair and well-balanced.

6. Conclusion

Our idea of giving EU energy policy a new impetus towards a more sustainable and democratic European future is new and the ECET project has only started. We feel that the time is right to launch such an initiative: EU policy might take a new direction under the Juncker Commission and there is the threat that the EU as a whole might slow down the pace of climate action. The latter should not be allowed to happen. ECET will be a means of fast-tracking the green energy transition, of mobilising the people in favour of this transition and of making it economically feasible. We have great opportunities to do so, but we have to dare to seize them. Outdated patterns have to be overcome: ECET could be a decisive means to make the green energy future a reality and the ongoing European integration a project of its people.

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Information

Marcel Siepmann
phone: +49 (0)201 72 04-255
marcel.siepmann@kwi-nrw.de

Press

Verena Schreiber & Helena Rose
phone: +49 (0)201 72 04-152
fax: +49 (0)201 72 04-159
verena.schreiber@kwi-nrw.de
helena.rose@kwi-nrw.de

dpa Insight EU

More Information:
www.dpa.com/dpa-Insight-EU.963.0.html

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Design & Illustrations

Alexander von Freeden
LaikaLaika.de

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