



Project no. 28661

## **EPIGOV**

# **Environmental Policy Integration and Multi-level Governance**

Co-ordinated Action

CITIZENS-2004-4.2.2 Governance for sustainable development

## **Publishable Final Activity Report**

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## **1 Project objectives**

Environmental policy integration (EPI) - the integration of environmental issues into other policy areas, such as transport, energy and agricultural policy - is widely recognised as a key requirement for sustainable development (SD). The EPIGOV project aimed to co-ordinate and synthesise research on EPI and multi-level governance and to generate new impulses for research. More generally, the EPIGOV project format was a Co-ordinated Action (CA) under the European Commission's 6<sup>th</sup> Research Framework Programme. The activities and impulses for research generated by EPIGOV served to achieve these general aims.

In line with the above, the overarching objective of the EPIGOV project was to create a process that can document and inspire progress of research. EPIGOV offered opportunities for researchers to come together at regular intervals, share research results, develop hypotheses and research methods, and discuss new initiatives for co-operative research. To achieve its overarching objective, EPIGOV pursued the following operational goals:

- Documentation of the progress of research on EPI and multi-level governance
- Co-ordination of ongoing research on EPI and multi-level governance
- Discussion and assessment of research to identify research needs on EPI and multi-level governance
- Dissemination of results
- Regular review of progress

## 2 The EPIGOV consortium

EPIGOV involved institutions and researchers who have been working for some time in EPI research as well as others, in particular from Central and Eastern Europe, who were relatively new to the field. Additional researchers who were not part of the EPIGOV consortium, policy-makers working at different levels of governance and stakeholders from environmental NGOs, business etc. participated in the EPIGOV advisory committee and the three main thematic conferences around which the project was build. The EPIGOV conferences, the respective preparatory meetings, and the preparation of research papers for the conferences created opportunities for networking and co-ordination of research as well as for obtaining feedback from researchers outside the consortium and from policy-makers and stakeholders.

The EPIGOV project started in February 2006 and was completed as planned after three years in January 2009. Ecologic, Institute for International and European Environmental Policy, Berlin, led and co-ordinated the project which involved a total of nineteen partner institutions. Three consortium partners - Fondazione Eni Enrico Mattei (FEEM), Milan; Institute for European and Environmental Policy (IEEP), London and Stockholm Environment Institute (SEI), Stockholm - acted as "principal partners" with special responsibility for organising the three main EPIGOV conferences. The following institutions participated as consortium partners in the project:

- Ecologic - Institute for International and European Environmental Policy, Berlin, Germany (EPIGOV co-ordinator). <http://www.ecologic.eu>
- Stockholm Environment Institute (SEI), Stockholm, Sweden (EPIGOV principal partner). <http://www.sei.se>
- Fondazione Eni Enrico Mattei (FEEM), Milan, Italy (EPIGOV principal partner). <http://www.feem.it>
- Institute for European and Environmental Policy (IEEP), London, UK (EPIGOV principal partner). <http://www.ieep.eu>
- European Institute of Public Administration (EIPA), Maastricht, The Netherlands. <http://www.eipa.nl>
- Centre for Development and the Environment at the University of Oslo (UiO), Norway. <http://www.sum.uio.no/prosus/>
- The University Institute of European Studies (IUEE), Barcelona, Spain. [http://selene.uab.es/\\_cs\\_iuee/](http://selene.uab.es/_cs_iuee/)
- Department of Geography at the University of Aegean Lesvos (UA), Mytilini (Lesvos), Greece. <http://www.aegean.gr>
- Central European University Budapest (CEU), Hungary. <http://www.ceu.hu>
- Department of Environmental Economics at the University of Economics Prague (UEP), Czech Republic. <http://www.vse.cz>

- Estonian Institute for Sustainable Development - Stockholm Environment Institute Tallinn Centre (SEI-Tallin), Estonia. <http://www.seit.ee>
- Department of Environmental Economics at the Budapest University of Technology and Economics (BME), Hungary. <http://www.kornygazd.bme.hu>
- Fridtjof Nansen Institute (FNI), Lysaker, Norway. <http://www.fni.no/>
- University of East Anglia (UEA), Norwich, UK. <http://www1.uea.ac.uk>
- Environmental Policy Research Centre at the Freie Universität Berlin (FUB), Germany. <http://www.fu-berlin.de/ffu>
- Institute for Environmental Studies at the Vrije Universiteit Amsterdam (IVM-VU), The Netherlands. <http://www.ivm.falw.vu.nl>
- Wuppertal Institute for Climate, Environment and Energy (WI), Wuppertal, Germany. <http://www.wupperinst.org/>
- University of Osnabrück (UOS), Germany. <http://data.sozialwiss.uos.de>
- Vrije Universiteit Brussel (VUB), Belgium. <http://www.vub.ac.be>

### 3 Project approach and research methods

Three thematic conferences formed the backbone of EPIGOV and were held over the duration of the project. The conferences brought together all project partners as well as external academics, policy-makers, and other stakeholders. Discussions focussed on the research papers presented at the conferences as well as future research needs and initiatives. Each conference addressed two main themes:

- Brussels conference (15-16 February 2007, organiser: IEEP): EPI and modes of governance; EPI at EU level;
- Milan conference (22-23 November 2007, organiser: FEEM): EPI at local / regional levels; EPI at national level;
- Stockholm conference (12-13 June 2008, organiser: SEI): EPI at global level; EPI and multi-level governance.

A final policy conference presenting the overall EPIGOV results to interested parties was held in Brussels on 23 January 2009. The conference was organised by Ecologic and hosted by the Sustainable Development Observatory (SDO) of the European Economic and Social Council (EESC).

Ahead of the three EPIGOV conferences the Co-ordinator and the Principal Partners prepared literature reviews and state-of-the-art reports on each of the two conference themes. At preparation meetings several months in advance of the conferences, the co-ordinator, the principal partners, and the project partners scheduled to present a paper at the respective conference discussed organisational issues and reviewed both the draft literature reviews and state-of-the-art-reports as well as drafts of the EPIGOV research papers to be presented at the respective conference. In addition, the three project partners responsible for the organisation of the conferences and the co-ordinator hold an annual co-ordination meeting to support co-ordination of the project as a whole.

To ensure a common focus of research, Ecologic prepared the EPIGOV Common Framework which was presented at the initial project plenary meeting in October 2006. This document sets out a particular definition of EPI, describes and discusses various modes of governance and aspects of multi-level governance. The Common Framework offers overarching points of reference for the project, but does not constitute a full-blown common analytical framework. This approach reflects the high diversity and large number of institutions involved in EPIGOV relative to the project budget which only allows for a very limited amount of original research activities. EPIGOV research papers and state-of-the-art reports are required to explicitly refer to the concepts of EPI, governance/ modes of governance, and multi-level governance presented and discussed in the document. The Common Framework, EPIGOV research papers and many other meeting documents are accessible on the project website ([www.ecologic.eu/projekte/epigov](http://www.ecologic.eu/projekte/epigov)).

There is a growing body of academic literature analysing and discussing EPI approaches and measures. EPIGOV employs a multi-level governance perspective to analyse EPI. The project team aims to identify and analyse modes of governance which characterise EPI at

various levels of governance. In addition, EPIGOV looks at inter-level interactions between these modes. More specifically, EPIGOV looks at two interrelated sets of questions:

- First, is it possible to identify typical modes of governance which benefit EPI at particular levels of governance, eg. at local/regional, national, EU, and global levels?
- Second, how do EPI measures at different levels of governance affect each other and how could governance be improved to increase synergies and minimise negative interaction effects across different levels of governance?

Assembling and discussing findings which are relevant for these themes should ultimately facilitate progress in improving the design and implementation of EPI in the context of the EU multi-level governance system and beyond.

EPIGOV broadens the scope of EPI research in several ways. The project reaches beyond the prevailing focus in the literature on EPI instruments and country studies to include structural variables (“governance”) and “unintended” EPI effects. The project also looks at areas - in particular Central and Eastern Europe - and governance aspects and levels with respect to which EPI has so far only rarely been studied.

## 4 Main activities

The EPIGOV consortium used the first project year to constitute itself, plan the project in more detail, and prepare the first EPIGOV conference. At the kick-off meeting organised and hosted by Ecologic in Berlin in March 2006, the co-ordinator and the three principal partners agreed on various organisational and procedural changes which required an amendment of the contract. Most importantly, they agreed on the benefits in terms of the constitution of the consortium as a whole and with respect to project planning to hold a plenary meeting with all project partners before the first EPIGOV conference scheduled for early 2007. In addition, the co-ordinator and the principal partners asked Ecologic to produce a Common Framework which was to provide more detailed substantive points of reference for the project, in particular the EPIGOV research papers and the state-of-the-art-reports. Neither the EPIGOV Common Framework nor the kick-off plenary meeting were originally foreseen in the plans for the project and required significant additional efforts in the first year of the project.

The plenary meeting was held back-to-back with the preparation meeting for the first conference and the first co-ordination meeting in October 2006. The three meetings were organised and hosted by Ecologic in Berlin. The plenary meeting served to present and discuss the EPIGOV Common Framework and to agree on the contributions to the three conferences by the consortium members. The organisation of the first conference and drafts of the research papers to be presented at the conference were discussed at the preparation meeting. Overall project planning was the subject of the first co-ordination meeting which involved the Co-ordinator and the three Principal Partners.

Co-ordinating with Ecologic, Institute for European Environmental Policy (IEEP) prepared the first EPIGOV conference which was held in January 2007 in Brussels. IEEP split the event in two parts. The first day was more policy-oriented and open to the general public, while the second day had a stronger academic focus and attendance was restricted to invited participants. In advance of the conference IEEP and Ecologic had prepared two EPGOV literature reviews and two state-of-the-art reports focussing on the main conference themes – EPI and modes of governance and EPI at the EU-level. A considerable number of presentations and papers were presented at the conference:

- External academics, policy-makers and stakeholder representatives gave presentations on the concept of modes of governance, the state of EPI in EU transport policy and EU energy policy, the context for successful EPI from an EU-level policy-making perspective, and on policy-mainstreaming of two non-environmental issues – gender equality and development policy;
- Consortium members presented ten EPIGOV research papers:
  - Governance and Environmental Policy Integration in Europe. What can we learn from the EU Emission Trading Scheme? (FEEM)
  - The EU Thematic Strategies: Governance for Environmental Policy Integration? (Ecologic)
  - Evaluating Integrated Impact Assessments – A Conceptual Framework (FUB)

- The Issue of 'Balance' and Trade-offs in Environmental Policy Integration: How will we Know EPI When we see it? (UiO)
- The Modes of EPI in Theory and Practice (UOS)
- Does the EU Sustainable Development Strategy contribute to Environmental Policy Integration? (IEEP)
- EU-EPI, Policy Co-ordination and new Institutionalism (EIPA)
- Social Learning and EPI: Communicative Governance in Swedish Climate Policy Formation (SEI)
- Contribution to the Modes of Governance Dispute (UEP)
- The Integration of Environmental Protection Requirements into EC Development Cooperation Policy (VUB)

Consortium members as well as external experts acted as discussants during the two days of the conference.

Ecologic organised and hosted the second co-ordination and preparation meetings which were held in April 2007 in Berlin. The organisation of the second EPIGOV conference was discussed at both meetings. For the preparation meeting the co-ordinator and the principal partners were joined by the project partners scheduled to present a paper at the conference. The meeting reviewed the outlines and drafts of these papers as well as the two literature reviews and state-of-the-art reports which had been prepared by Fondazione Eni Enrico Mattei (FEEM) and Ecologic.

The Second EPIGOV conference was held in Milan in November 2007. FEEM organised and hosted the conference. The one-and-a-half-day conference, which focused on EPI and governance at the national and regional/local levels, brought together the EPIGOV consortium as well as other researchers and practitioners in the field of environmental policy. The following papers and presentations were presented at the conference:

- External speakers focussed on practical experience with EPI in Ireland, on the implications for EPI of the transformation of regional and local governments, and on devolution and local level sustainability.
- Nine EPIGOV research papers prepared by the consortium members and focussing on the following issues were presented and discussed:
  - Environmental Concerns and Cross-Sectoral Relevance of Biomass Utilization in Hungary (BME)
  - From G-FORS to EPIGOV: which governance modes for EPI? The case of Strategic Environmental Assessment in spatial planning (FEEM)
  - Environmental Policy Integration and Changes in Governance in Swedish Energy and Agriculture Policy over two Decades (SEI)

- The Struggle against Departmentalism: the Integration of the Environment into United Kingdom Policy Making (UEA)
- A systems theoretical perspective on Greening EU Regional Policy (WI)
- The Case of EPI in Central and Eastern Europe (CEU)
- EPI in the Czech Republic: Relevance of Environmental Policy Assessment (UEP)
- EPI and Regional Governance in Spain (IUEE)
- Adoption of organic farming in Estonia as a tool for integration of environmental and agricultural policies (SEI-Tallin)

As with the first conference, project participants as well as external experts acted as discussants during the conference.

Ecologic organised and hosted the final co-ordination and preparation meetings in April 2008. In addition to the organisation of the third EPIGOV conference, publications were a major item on the agenda of the co-ordination meeting. The draft papers for the third conference, the organisation of the conference as well as the draft literature reviews and state-of-the-art reports were discussed at the preparation meeting.

Stockholm Environment Institute (SEI) organised and hosted the third EPIGOV conference which took place in June 2008 in Stockholm. The conference focussed on two themes: EPI at international and global level and EPI and multi-level governance. The conference brought together all consortium members, external academics and policy-makers. The following presentations were given:

- External participants gave presentations on the role of diplomacy in promoting sustainable development, Sweden's environmental objectives in the context of multi-level governance, and new governance at sub-national level in Europe.
- A total of ten papers were presented:
  - Homeyer, Ingmar von and Doris Knoblauch (Ecologic): Environmental Policy Integration and Multi-Level Governance – A State-of-the-Art Report.
  - Biermann, Frank, Olwen Davies, Aizo Lijcklama, and Nicolien van der Grijp (IVM): Environmental Policy Integration and the Architecture of Global Environmental Governance.
  - Oberthür, Sebastian (VUB): Managing the Interaction of International Institutions: Options for Environmental Policy Integration.
  - Wettestad, Jørgen (FNI): Interaction between EU Carbon Trading and International Institutions: Synergies or Disruptions?.
  - Chiavari, Joana, Sirini Withana and Marc Pallemmaerts (IEEP): The Role of the EU in Attempting to 'Green' the ICAO.
  - Persson, Åsa (SEI): Mainstreaming Climate Change Adaptation into Official Development Assistance: A Case of International Policy Integration.

- Bina, Olivia (University of Portugal): Relevance of Europe's Environmental Policy Integration concept for China: Evidence of de facto EPI and questions about effectiveness.
- Briassoulis, Helen (AEGEAN): Governing Desertification in Mediterranean Europe: The Challenge of EPI from the International to the National Level.
- Duit, Andreas (Stockholm Resilience Center/Stockholm University): The Ecological State: Cross-National Patterns of Environmental Governance Regimes.
- Söderberg, Charlotta (Umea University): EPI in European Bioenergy Policy – A Multilevel Governance Perspective.

Project members and external conference participants acted as discussants of the papers. Being the last of the three EPIGOV conferences, the meeting ended with a resume by the co-ordinator and members of the EPIGOV advisory committee which was followed by a general discussion.

The last two EPIGOV events - the final policy conference and meeting - were held in Brussels during the last project month in January 2009. The final policy conference was originally planned to be a relatively small event with a limited number of participants from the European Commission and interested stakeholder representatives. However, the success of the first EPIGOV conference and the Commission's interest in an enlarged format of the policy conference led the Co-ordinator to consider a larger, public event.

About fifty people participated in the final policy conference which was prepared by Ecologic (supported by the local Principal Partner, IEEP) and hosted by the European Economic and Social Committee's Sustainable Development Observatory (EESC-SDO). In addition to project members, participants included several European Commission staff and representatives of various other EU-level institutions, external academics and experts as well representatives of civil society organisations and business. The presentations focused on the following subjects:

- an overview of the Commission's support for research for sustainable development by the Commission's project officer for EPIGOV,
- an introduction to the project by the Co-ordinator
- three presentations summarising the main results of the three EPIGOV conferences by the respective Principal Partners
- presentation of a recently published book on EPI by project members
- presentation of the EPIGOV policy paper by the Co-ordinator

After a general discussion and a resume by the Co-ordinator, the conference participants were invited to a reception.

Immediately following the reception, the Co-ordinator and the Principal Partners met for the final meeting which focussed on the planned EPIGOV publications. More specifically, the Co-ordinator and the Principal Partners are preparing the following publications:

- Ingmar von Homeyer, Alessandra Goria, Måns Nilsson, Marc Pallemmaerts (eds.), "The promise and practice of environmental policy integration - a multi-level governance perspective", Edward Elgar Publishing, forthcoming.
- Alessandra Goria, Alessandra Sgobbi, Ingmar von Homeyer (eds.), "Governance for the environment. Integrating the environmental dimension into national, regional and local policies: current practices and future directions", Edward Elgar Publishing, forthcoming.
- Måns Nilsson and Marc Pallemmaerts (eds.), "International regimes and environmental policy integration", International Environmental Agreements (Special issue), forthcoming.

## 5 EPIGOV results

The EPIGOV literature reviews and state-of-the-art-reports show that there is a lack of scientific studies explicitly relating EPI to governance or modes of governance. Nevertheless, the existing literature and the EPIGOV research papers provide significant information which is relevant for analysing EPI from a governance perspective. The EPIGOV Common Framework distinguishes between information which is relevant for analysing “basis modes” and information relevant for studying “EPI modes”. In the first case, the information is mainly relevant for examining the effects on EPI of modes of governance which exist independently of efforts to improve EPI. Relevant factors include institutional structures such as federalism or pre-existing cross-sectoral hierarchical co-ordination mechanisms. In contrast to these basis modes, EPI modes result from political EPI initiatives. They are the intentional or unintentional modes of governance which are produced by such efforts.

EPIGOV results concerning modes of governance and multi-level governance include the following:

- Regarding the analysis in terms of basis modes of governance it is not surprising that strong sectionalisation and departmentalisation of policy-making appear to be a major, probably even the single most important obstacle to EPI. Federalism and multi-level governance also appear to cause problems, but may also provide opportunities for EPI. There are some indications that under certain conditions well co-ordinated, “traditional” hierarchical governance may provide a favourable context, at least for implementing EPI.
- Reflecting the lack of relevant research adopting a governance perspective, the analysis in terms of EPI modes mainly relies on studies of the types of instruments which are used to support EPI. Most of these instruments appear to be closer to “new” than to “old” governance. Communicative governance, which is based on information and learning, and voluntarism, which is similar to strategic management, seem to be particularly common.
- From a perspective analysing multi-level interactions between modes of governance affecting EPI, findings from europeanisation research suggest that the impact at Member State level of EU EPI measures associated with various modes of governance ranges from positive ideational effects to problem transfer. Effects of EU EPI measures associated with hierarchical governance tend to have positive impacts on EPI in the context of international institutions. For example, integrating setting binding EU wide EPI targets may have very different effects depending on the sectoral governance context at national level. At the global level the (prospect of) adoption of EU environmental measures associated with hierarchical governance may provide the EU with significant opportunities to “upload” EPI. However, such processes have so far only rarely been studied and their longer-term implications for a more comprehensive, sustained greening of sectoral international institutions remain unclear.
- The success of efforts to improve EPI has so far been limited. While EPI measures appear to have had some effect on political discourse and strategies, decision-making procedures and routines in core sectors were rarely affected. In addition, in some of the more successful instances of EPI cases of problem transfer have occurred.

- Intensified consideration of the following issues may contribute to improving EPI:
  - o Factors related to administrative and political culture have so far hardly been studied in relation to EPI. Clarification of the impact of these factors on EPI may ultimately assist in the design of more effective EPI approaches and instruments.
  - o If factors related to political culture constitute an important determinant of the effectiveness of EPI, policies supporting EPI may in future have to rely to a greater extent on measures affecting the attitudes of sectoral actors than is currently the case.
  - o To increase the effectiveness of EPI, policy-makers and stakeholders should consider a stronger integration of EPI into “traditional” environmental policy-making. As a first step, environmental measures addressing sectoral actors could be screened and evaluated not only in terms of their immediate impact on the environment, but also with respect to their likely indirect/(expected) medium- and long-term effects on EPI.
  - o Flexible and participatory environmental instruments, such as certain types of framework legislation and market-based instruments, which create new environmentally beneficial opportunities for sectoral actors, encourage them to constructively engage with environmental requirements and explore different options, are likely to have positive secondary effects on EPI.

In addition to the research needs and question in relation to EPI and modes of governance/multi-level governance mentioned above, EPIGOV identified further research needs and questions in areas relating to the integration of climate change into other policy areas and with respect to the concept of EPI. Regarding climate change, EPIGOV raised the the following questions against the background of the exceptionally high political salience of climate change:

- What lessons can be drawn from the integration of climate change issues into other policy areas, such as energy policy, for EPI more generally
- In how far do functional interdependencies between the politically highly salient issue of climate change and other, less salient environmental issues, such as water management, increase the chances of integration not only of climate change issues into sectoral policies, but also of issues associated with the functionally linked, but politically less salient environmental issues?
- Does the high political salience of climate change lead to a priority of climate change integration over the integration of other environmental issues into sectoral policies? If so, under which conditions does this happen?
- How and to what degree are environmental concerns integrated into policies to adapt to climate change?

At a more fundamental level, EPIGOV illustrated the continuing need to clarify the concept of EPI. Relevant issues and questions include:

- the clarification of the relationship between the institutional or process dimension and the normative implications of EPI;
- the distinction between EPI on the one hand, and socially or economically motivated integration of the environment into sectoral activities on the other hand as well as the interactions between the two;
- the distinction, and relationship between, EPI and “traditional” environmental policy.

## 6 Overall project achievements

As illustrated above, EPIGOV achieved its main overarching objectives:

- **Documentation of the progress of research on EPI and multi-level governance:** EPIGOV documented research on EPI and multi-level governance in the six EPIGOV literature reviews and state-of-the-art reports dealing with EPI and modes of governance, EPI at EU-level, EPI at national level, EPI at regional and local level, EPI at international/global level and EPI and multi-level governance.
- **Co-ordination of ongoing research on EPI and multi-level governance:** the EPIGOV conferences and preparation meetings offered project participants and external guests opportunities to co-ordinate their research activities. Work on the two EPIGOV edited volumes and the special issue as well as several other publications constitutes one of the results of co-ordination.
- **Discussion and assessment of research to identify research needs on EPI and multi-level governance:** The EPIGOV conferences, preparation meetings and the final meeting as well as the literature reviews, state-of-the-art-reports and research papers inspired and enabled discussion of research needs and questions.
- **Dissemination of results:** The main vehicles for the dissemination of EPIGOV results are the policy paper, the website, and the two edited volumes and the special issue which will be published containing the most suitable EPIGOV contributions. In addition, selected EPIGOV results were presented at conferences and published in various publications.
- **Regular review of progress:** The progress of the project was regularly reviewed at the annual co-ordination meetings of the Co-ordinator and the three Principal Partners. Less systematic review was undertaken during the preparation meetings and EPIGOV conferences.