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The Covid-19 crisis: a critical juncture for EU climate policy development?

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ABSTRACT

The EU has demonstrated increasing commitment to combating climate change. In December 2019, the European Commission published the European Green Deal (EGD) – an evolving, overarching strategy that aims to achieve climate neutrality by 2050. Just as the plans were underway to implement the EGD, the Covid-19 crisis hit. We ask whether it is likely that the Covid-19 crisis represents a critical juncture for EU climate policy, and why? Experience from previous economic crises suggests that climate policy may be set aside. In 2020, the EU's crisis response seems rather to advance EU climate policy, at least on paper. Given the potential for transformational change already embedded in the EGD, we suggest that additional positive effects of the Covid-19 crisis may not add up to a critical juncture. We reflect on the role of Commission entrepreneurship and the politicisation of climate change and climate policy to explain this outcome.

Introduction

Over the past decades, the EU has demonstrated increasing commitment to combating climate change. It has significantly advanced its domestic climate policy, most recently through implementing its Climate and Energy Policy Framework for 2030 (e.g. Kulovesi and Oberthür 2020). Both its climate mitigation targets and the related legislative acquis have been at the forefront internationally and have served to underpin EU international climate leadership. EU domestic climate policy has, however, remained insufficient for achieving the Paris Agreement's temperature target of limiting the increase of global temperature to 1.5 or even 2 degrees Celsius. To further align EU climate policy with the Paris Agreement, the European Commission (hereafter: Commission) under Commission President Ursula von der Leyen presented the European Green Deal (EGD) as an evolving, overarching policy strategy in December 2019 (European Commission 2019).

Just as the Commission and other EU institutions were preparing for the implementation of the EGD, the Covid-19 crisis hit. Experience from previous economic crises, and the economic and financial crisis of 2008/2009 especially, suggests that climate and

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environmental policy may be set aside or downgraded in importance (Gravey and Jordan 2019). However, advanced knowledge about the importance of the sustainability transition and the increased political weight of climate change mean that the Covid-19 crisis may instead trigger a response that reinforces EU climate ambitions and drives EU climate policy towards transformational change.

Against this background, this article investigates the effects of the economic crisis in the wake of the Covid-19 pandemic (hereafter: the Covid-19 crisis) on EU climate policy. We ask whether the Covid-19 crisis could constitute a 'critical juncture' for EU climate policy by either profoundly undermining or strengthening/transforming EU climate policy. We investigate two driving forces to understand the effect, (1) policy entrepreneurship (especially of the Commission) and (2) politicisation, and the interaction between them. As we are examining an unfolding empirical case, we aim for an exploratory analysis, opening up new avenues for detailed analysis in future, rather than attempting a comprehensive explanation. Methodologically, we draw on existing literature, document analysis and media reports.

We argue that, unlike previous crises, the Covid-19 crisis and the EU's response to it have so far not downgraded or side-lined climate policy. Instead, the crisis has tended to strengthen and reinforce the EGD, which itself may be a potentially transformational critical juncture of EU climate policy (although much still depends on implementation). As such, the Covid-19 crisis could produce positive effects on EU climate policy, but its transformational potential may be limited, since the EGD may have already triggered the transformation of EU climate policy. Whether or not the Covid-19 crisis can be considered a critical juncture – whether the EU's response to Covid-19 shifts EU climate policy onto a new path – can therefore only be assessed with time. While potential exists, we suggest that the EGD represents an earlier juncture that set the new, potentially transformational, path. We find that two main factors allowed the window of opportunity opened by the Covid-19 crisis to be exploited towards an advancement of the EGD within the EU's recovery plan: the entrepreneurial role of the Commission, and the political momentum created by increasing politicisation of climate change at all levels of governance and across EU institutions.

We pursue our argument in three main steps. First, we spell out our analytical framework by introducing the notion of a critical juncture and outlining how we could identify a critical juncture. We also introduce the two explanatory factors in focus. Second, we investigate the effects of the Covid-19 crisis as a potential turning point of EU climate policy, with a particular emphasis on the EU's Multiannual Financial Framework (MFF) and the Next Generation EU (NextGenEU) funding programme as the core of the EU crisis response negotiated in 2020. This is followed, third, by an investigation of the identified explanatory factors, and the interactions between them. We conclude with a synthesis of our findings and a discussion of their implications.

Identifying and explaining a critical juncture

We focus on exploring whether the Covid-19 crisis represents a critical juncture for EU climate policy development, and why. In this section, we discuss how to recognise a critical juncture in practice, and present two main variables for explaining why the Covid-19 crisis may or may not potentially become a critical juncture for EU climate policy, drawing also from Wolff and Ladi (2020).

What is a critical juncture?

Building on relevant literature, two key points emerge for a clearer understanding of what could constitute a critical juncture: (1) the temporal dimension of critical juncture effects; and (2) the extent of the change effected. Both elements make identifying whether a current phenomenon or event is a critical juncture or not methodologically challenging.

A critical juncture has causal effects. Critical junctures are events or choices that are important turning points and are a key explanation for policy or institutional change. Capoccia (2016) suggests that a critical juncture is synonymous with a crisis, unsettled or turbulent times. While institutional and policy processes are considered to be path dependent, i.e. locked into a certain developmental pathway, an exogenous shock, or crisis, may effect a shift away from the existing path dependencies. These critical junctures then lead to new path dependent development (Pierson 1996; Stark 2018), meaning that both the time and extent of the effects are key.

First, to be recognised as a critical juncture, an event must have a causal impact on future events (Capoccia 2016, 89). A critical juncture can only effectively be identified with the passing of time, when the causal effect of a particular event on future policy or institutional pathways materialises. This makes analysing contemporary events for their path-breaking effects methodologically challenging. However, we can already identify the *potential* of a certain event to change the direction of policy or institutional development toward new pathways or path dependencies for the future, thereby outlining how likely it is that an event becomes a critical juncture. This assessment is based on the initial decisions and policies made in response to that event rather than on their (future) implementation and/or subsequent decisions.

Second, the extent of change ascribed to a critical juncture may depend on the analytical perspective. A critical juncture that results in comprehensive institutional change can be considered as leading to transformation in the direction of long-term, overarching structures or norms, as institutionalist perspectives underline (Verdun 2015; see Wolff and Ladi 2020). A critical juncture may also play out over a short-term horizon within or across sectoral or sub-sectoral policy cycles. Here the change may be less fundamental or transformative for the overarching institutional structure, but it still constitutes significant change within a particular policy field, as policy science perspectives highlight (Howlett 2019, p. 423; Kingdon 2003). To qualify as a critical juncture, we suggest that such change in policy should show a shift in important pathways or directions of the policy field: away from previous path dependencies.

With these conceptual clarifications in mind, we analyse the *potential* or likelihood that the Covid-19 crisis represents a critical juncture for EU climate policy. We suggest, following also Wolff and Ladi (this issue), that different effects on EU climate policy may result from the Covid-19 crisis. Depending on the *direction* and *scope* of the effects, we can assess the likelihood that the Covid-19 crisis represents a critical juncture for EU climate policy.

We therefore seek to investigate whether the EU's Covid-19 response has resulted in (1) no policy change or continuity (no effect, not a critical juncture); (2) backtracking or policy dismantling (negative effect, potentially a critical juncture); or (3) strengthening of previous policy trends (positive effect, potentially a critical juncture). A qualitative assessment

of the extent or scope of the effects is also necessary. Policy continuity implies no change in EU climate policy choices, pathways (planned policy proposals and their timing), decisions or ambition during or after the Covid-19 crisis. This finding would suggest that the crisis may not represent a critical juncture for EU climate policy, although given past experiences of stagnating climate policy in the wake of crises, continuity is still a noteworthy outcome (Gravey and Jordan 2019). For both negative and positive effects, there are different possible degrees of change. Backtracking or policy dismantling could involve decisions that water down EU climate policy ambition, weaken or delay implementation of adopted measures, or go as far as cancelling previous decisions and policies. A more fundamental effect, such as a policy cancellation, is likely to have farther reaching impacts for EU climate policy than watering down or weakening policy measures. Likewise, positive changes can vary in their extent. The development or implementation of existing policy plans and pathways could be hastened, new decisions on (future) policy pathways could be made or resource allocation could be increased. Depending on the speed or extent of strengthening, positive change could lead to transformative EU climate policy, implying a significant break from the previous policy development path towards swift changes across sectors to mitigate and adapt to climate change (leading to societal transformation) (Jacob and Ekins 2020; Saurugger and Terpan 2016; Stark 2018).

How can change be explained?

In addition to investigating the effects of the Covid-19 crisis on EU climate policy, we also explore two variables that may help us understand these effects, building on Wolff and Ladi (2020) and literature on policy change. In particular, we highlight the role of (institutional) policy entrepreneurs and politicisation (and the interaction between them) to help us understand why the Covid-19 crisis may (not) represent a critical juncture for EU climate policy.

First, individuals or institutions acting as policy entrepreneurs can take advantage of a window of opportunity to frame and push a policy change (Hermansen 2015; Mintrom 1997). A policy entrepreneur displays particular capabilities to take advantage of a window of opportunity to change the status quo. These include advocating new ideas or proposals, defining or reframing problems, building coalitions among policymakers and stakeholders, building on or mobilising public opinion and setting the agenda (Dunlop and Radaelli 2013; Kingdon 2003; Wolff and Ladi 2020). A policy entrepreneur displays political skill, knowledge and commitment to advancing change. Concerning the EU, while individuals within the EU institutions have sometimes been credited with entrepreneurial behaviour, many studies focus on the role of the Commission as an institutional policy entrepreneur based on its unique role in the EU system as an initiator of policy proposals (e.g. Laffan 1997; Skjærseth and Wettestad 2010; Boasson and Wettestad 2013). We also analyse the entrepreneurial role of the Commission to help explain policy dynamics in EU climate policy in the wake of the Covid-19 crisis. We look for evidence of entrepreneurial behaviour to advance policy change in documents, (joint) declarations, coalition-building, use and promotion of knowledge, and through declared commitment followed by proposals for action.

Second, we also examine the *politicisation* of both the issue of climate change and of climate policy responses in the EU as possibly driving policy change. As highlighted by

Wolff and Ladi (2020), we can understand politicisation to be an increase in the salience of an issue, which may contribute to policy change. An increased salience of the climate issue can be bottom-up, reflecting increasing concern among citizens and leading to societal and political mobilisation. Politicisation can also be a top-down change in political priorities, bringing policy issues into the realm of bargaining and conflictual high-level politics – the politicisation, we may also find varying degrees of contestation and polarisation among EU institutions and actors, related to the perception of the problem itself or to proposed policy solutions (Dupont 2020; Herranz-Surrallés, Solorio, and Fairbrass 2020). To recognise politicisation (both top-down and bottom-up), we trace changes in prioritisation, agenda-setting, contestation and societal mobilisation towards both the issue of climate change and climate policy, and how these developments clashed or converged over time. This draws on evidence from literature and documents, as well as declarations and statements from policymakers or EU institutions.

However, politicisation and entrepreneurship also interact. Do they produce reinforcing effects towards policy change or do they rather interact in neutral or even opposing ways? Given a potential critical juncture situation, a policy entrepreneur may be able to employ its skills to change the *status quo* to a significant extent. But the type and degree of politicisation of the issue at hand could hamper or facilitate an entrepreneur's moves towards change. Politicisation effects play out over time, and whether a policy entrepreneur can take advantage of a window of opportunity to change the *status quo* may depend on how politicisation has developed. Therefore, we propose that the combination of a committed policy entrepreneur with a highly salient issue that had previously been politicised may drive critical junctures with transformational effects. We return to this proposition in the discussion.

The effect of Covid-19 on EU climate policy

To assess the Covid-19 crisis' (potential) causal effect on EU climate policy, we need first to establish the state of EU climate policy before the pandemic. In this section, we discuss: (1) general, long-term trends in EU climate policy, (2) the pre-pandemic EU climate policy context, and (3) the integration of climate policy into the EU's response to the Covid-19 crisis.

Long-term trends in EU climate policy development

EU climate policy has developed in an incremental step-by-step process of improvement and expansion characterised by three main trends. First, the EU's climate policy has been guided by successive targets to reduce greenhouse gas (GHG) emissions compared to 1990 levels. After the EU adopted a target of stabilising CO₂ emissions in the early 1990s towards the 1992 UN Framework Convention on Climate Change (UNFCCC), it committed to reducing GHG emissions by eight per cent over 2008–2012 under the 1997 Kyoto Protocol to the UNFCCC. In 2007 and in 2014, the European Council adopted targets to reduce emissions by 20% by 2020 and by at least 40% by 2030, respectively. For 2020 and 2030, these emission reduction targets were complemented with targets for the share of renewable energy in total energy consumption (20% by 2020 and 32% by 2030) and for energy efficiency improvements (20% for 2020 and 32.5% for 2030). Whereas the emission reduction targets for 2020 and 2030 are legally binding, of the remaining targets, only the renewables target for 2020 is binding on member states. The targets have provided clear guidance for policymakers and stakeholders and they have served to underpin the EU's international leadership aspirations (Oberthür and Pallemaerts 2010; Oberthür and Roche Kelly 2008).

Second, early choices of climate policy instruments have set the direction. After some initial climate policy developments in the 1990s, emission reduction targets have especially been implemented through the EU Emission Trading Scheme (ETS – for the power and industry sectors), first adopted in 2003, and through a distribution of the emission reduction targets for non-ETS sectors (transport, buildings, agriculture) among member states ('effort sharing'). The ETS has been considered the centrepiece of EU climate policy ever since and it has been repeatedly amended to enhance its effectiveness (Skjærseth and Wettestad 2010). The complementary targets on renewable energy and energy efficiency have been implemented through the Renewable Energy Directive and the Energy Efficiency Directive and related revisions. However, the fundamental overall design of the policy framework has been retained (Kulovesi and Oberthür 2020).

Third, new elements have been added to the EU's climate policy framework in a stepby-step expansion over time. The directives on renewable energy and energy efficiency were such complements. In addition, the EU has, within the overall framework created by the key instruments mentioned above, implemented an increasingly comprehensive *acquis* of climate legislation, including further instruments on energy efficiency/consumption (e.g. energy performance of buildings; energy labelling; ecodesign; CO₂ standards for cars, vans and heavy-duty vehicles), fluorinated GHGs and more. The 2030 climate and energy policy framework also added measures on Land-Use, Land-Use Change and Forestry (LULUCF) and set a new governance framework (reporting, planning, review) for climate and energy policy. Altogether, these elements have complemented and developed the basic architecture of EU climate governance, rather than changing it fundamentally (Kulovesi and Oberthür 2020).

The European Green Deal

Officially launched in December 2019, the EGD built on, but also moved far beyond, previous policy developments. In the years before, more voices emphasised the systemic/ societal challenge of transitioning to sustainability. In November 2018, the Commission – building on the Intergovernmental Panel on Climate Change (IPCC) Special Report on the impacts of global warming of 1.5° Celsius (IPCC 2018) – published a communication calling for the EU to pursue climate neutrality for 2050 (European Commission 2018). In 2019, then Commission President-designate Ursula von der Leyen made the EGD, including the goal of Europe becoming the first 'climate neutral continent', a key plank of her election campaign (Von der Leyen 2019). In November, the European Parliament declared a climate emergency (European Parliament 2019). In December 2019, the European Council endorsed the 2050 goal of climate neutrality, with the exception of Poland (European Council 2019).

The EGD is an evolving policy programme and strategy with a significant potential to make EU climate policy transformational. While it addresses a broader set of environmental and sustainability issues, the climate transition is at its core. Several elements underpin its transformational potential. First, the EGD pursues the goal for the EU to become climate neutral by 2050 and consequently foresees an upgrade of the EU's 2030 GHG emission reduction target from 40% to at least 50–55%. Second, it puts climate neutrality at the heart of EU policies in general, stating that 'all EU actions and policies will have to contribute to the European Green Deal objectives' (European Commission 2019, 3) and 'live up to a green oath to "do no harm"' (ibid., p. 19). Third, it embraces social justice as a key principle by calling for the climate transition to be just and inclusive and to 'leave no one behind', with the help of a Just Transition Mechanism, including a Just Transition Fund (ibid., p. 16). Finally, the EGD aims to raise additional investments of EUR 260 billion required per year, including through a Sustainable Europe Investment Plan (ibid., 15–17). It also includes a focus on the transformational challenges in hard-to-abate sectors, including industry, buildings and transport/mobility.

While the EGD provides a basis for redirecting EU climate policy towards transformational change, the test remains in its implementation (Bloomfield and Steward 2020). To this end, the EGD envisaged nearly 50 legislative and policy initiatives. Some of these were published in 2020, including proposals for a Just Transition Mechanism and a Sustainable Europe Investment Plan in January 2020, and a proposal for a Climate Law to enshrine the 2050 climate neutrality goal and an EU industrial strategy in March 2020 (European Commission 2019, Annex). In September 2020, the Commission proposed increasing the 2030 emission reduction target to at least 55% through the proposed Climate Law (European Commission 2020d). The European Parliament advocated a further strengthening to 60%. At the time of writing, a decision on the 2030 goal in Council is pending, with many member states supporting a target of at least 55% reductions by 2030. The Council has pushed the discussion on the 2030 target to the European Council meeting in December 2020 (Council of the European Union 2020).

EU climate policy and the response to Covid-19

We may expect to see effects of the Covid-19 crisis on EU climate policy development especially with respect to two policy agendas: (1) the further implementation of the EGD and (2) the design of the economic recovery from the crisis. We focus on these two aspects in the following.

The early days of the Covid-19 crisis saw an attack on EU climate policy by several member states and some businesses, which was countered by others. For example, Czech Prime Minister Babis in March 2020 called for abandoning the EGD, while voices in Poland suggested that the EU ETS might best be suspended (Elkerbout et al. 2020). The European Automobile Manufacturers Association (ACEA) called for an adjustment of the timing of EU regulations, such as CO₂ vehicle standards. And BusinessEurope in April 2020 requested a delay in the further consideration of key climate and environment initiatives (see Lazarus 2020). In contrast, 17 EU environment ministers came together in March and April 2020 to call for making the EGD central to all post-pandemic recovery planning.¹ NGOs, interested businesses and many decision-makers also countered the attacks launched and, supported by international organisations such as the International

Energy Agency, argued that the needed economic recovery programmes constituted a unique opportunity to advance the climate transition and to exploit its economic potential (Colli 2020; Lazarus 2020).

First, on the implementation of the EGD, the Commission forged ahead roughly as it had planned, although with some inescapable delays. It had published several initiatives in early 2020 before the crisis had fully unfolded, including proposals for a Just Transition Mechanism, the European Climate Law, an industrial strategy and an investment plan (European Commission 2020b; see above). Affected by the disruptions of the crisis, the Commission then delayed the publication of some other elements of the EGD, such as the 'Farm to Fork' agricultural strategy. However, it was quick to reconfirm its commitment to the EGD and its climate components, including the proposed Climate Law, and plans to upgrade the EU's 2030 GHG emission target to at least 55% and the preparation of subsequent legislative proposals (Krukowska 2020). In so doing, it was supported by the European Parliament that, in April 2020, called for the EGD to be at the core of the EU's crisis response (European Parliament 2020) and asked the Commission to stick to its EGD plans.² The European Council also expressed its support for advancing the green transition through the EU's crisis response at the end of March 2020.³

Second, the EU's response to the social and economic consequences of the Covid-19 crisis has put a strong emphasis on the sustainability and climate transition. The Commission published its proposals for a NextGenEU recovery instrument on 27 May 2020 (European Commission 2020a) along with an overarching vision of the EU's budget for 2021–27 (the MFF) (European Commission 2020c), thereby adapting its original MFF proposal of 2018 to the changed circumstances. The European Council reached an agreement on both the recovery instrument and the MFF in July 2020, which provided the basis for ongoing negotiations with the European Parliament. The words 'resilience/resilient', 'green', 'sustainability/sustainable' and 'climate' together appear 67 and 75 times, respectively, in the two Commission documents (European Council conclusions (European Council 2020).

More substantively, the emerging recovery response (both NextGenEU and the MFF), on balance, seems to advance and strengthen the implementation of the EGD. Whereas the MFF for 2014–2020 aimed at a share of climate expenditure of 20% and the Commission had proposed that this share should be increased to 25%, the European Council agreed to further raise this figure to 30%. Taking into account the much-increased overall funding (from about EUR 1 trillion in the original MFF proposal to more than EUR 1.8 trillion with the recovery fund), this represents a significant boost in funding the climate transition and in filling the related investment gap (Claeys and Tagliapietra 2020). Furthermore, the European Council agreed on a EUR 17.5 billion Just Transition Fund – lower than the EUR 40 billion suggested by the Commission in May 2020, but significantly up from the resource endowment of EUR 10 billion under the original MFF proposal. In addition, expenditures are to contribute to the green and digital transition and should be consistent with the Paris Agreement objectives and the 'do no harm' principle of the EGD (European Council 2020, paras. A19, A21 and 18). At the time of writing (November 2020), negotiations with the Parliament, which has called for increased financing for the climate

component, have reached provisional agreement, although challenges to final agreement among member states remain.

Covid-19 as a critical juncture for EU climate policy?

Given that EU climate policy developed in incremental steps from the 1990s, by ratcheting up targets, amending previous policies, and adding measures step-by-step, the adoption of the EGD by the Commission can be seen as a shift towards a more transformational EU climate policy, at least on paper. It could be seen as a turning point in EU climate policy towards an integrative, systemic, and boundary-setting framework for all EU policies and actions, with the climate neutrality goal at its heart. Consequently, the adoption of the EGD could already represent a critical juncture for EU climate policy.

The Covid-19 crisis, and the unprecedented recovery plan, could then be seen as reinforcing or strengthening the EGD as an earlier potential critical juncture in EU climate policy. The recovery plan does not propose new instruments or innovations beyond the EGD or change policy direction (evidence of continuity). There is also no evidence that it will lead to backtracking or policy dismantling, beyond some initial delays because of the Covid-19 emergency (i.e. no evidence of negative effects). Rather, it reinforces major elements of the EGD, in particular regarding the investments required (evidence of positive effects). In sum, there is evidence of a strengthening of policy development and implementation, but continuity with regard to overall aims, direction and instruments. Therefore, we can see potential for the Covid-19 crisis to effect positive – but perhaps not transformational – change on EU climate policy.

Having said that, the eventual effect of the Covid-19 crisis on EU climate policy will not least depend on the actual implementation of the EGD and the EU's crisis response. At the time of writing, the Parliament's demands for more climate ambition in the MFF make a negative effect of the recovery plan on EU climate policy unlikely. Subsequently, the consistency of spending with the Paris Agreement and the EGD will need to be fully ensured, and all 30% of climate spending will need to serve effectively the climate transition (see European Court of Auditors 2020). For its part, most of the EGD still awaits implementation, and challenges to implementation may still arise from other corners rather than as a direct result of the Covid-19 crisis. Since a critical juncture is an event in the past that has causal effects in the future, some temporal distance will be required for a definite assessment. Nevertheless, the EU's crisis response has enhanced rather than diminished prospects for the implementation of the EGD.

Understanding Covid-19 effects on EU climate policy

While only time can tell whether the EU's Covid-19 recovery plan and the EGD represent critical junctures for EU climate policy, the EU's crisis response has already shown positive effects. We here reflect on why. Previous economic crises led to downgrading or sidelining EU environmental or climate policy (negative effects) (Gravey and Jordan 2019; Lenschow, Burns, and Zito 2020). The positive effects may thus be puzzling. We turn our

attention to Commission entrepreneurship and to politicisation to help us understand the turn of events.

The Commission as a policy entrepreneur

The incremental advancement of EU climate policy until 2019 was spurred with help from policy entrepreneurs, in particular the Commission (Boasson and Wettestad 2013). During the Covid-19 crisis, the Commission used its agenda-setting power and its coalition-building power by building on its expertise and the networks of Member State representatives and stakeholders not only to prepare and table legislative proposals, such as the Climate Law and to continue to implement the EGD, but also to exploit the 'window of opportunity' created by the Covid-19 crisis to help make the EGD a central pillar of the crisis response.

The Covid-19 crisis allowed the Commission to exercise its entrepreneurial capabilities to advance EU climate policy in at least two ways. First, the Commission used the EU's response to Covid-19 to reinforce the EGD.⁴ Building on the EGD and integrating it into the broader discussion on the Covid-19 crisis response, the Commission used its climate policy expertise and demonstrated its commitment to climate neutrality, thereby also rebutting early contestations to a green recovery (see above). In general, the crisis led to increased support for a stronger role of public policy, including spending, and shifted attention towards frames and issues which are more closely associated with support for climate action (Mulders 2020; Tooze 2020). For example, the importance of knowledge and the role of science for policymaking were (re)emphasised (Van Dooren and Noordegraaf 2020). This was manifested in Commission statements on the connections between environmental degradation and health, which provide for a knowledge-based justification of environmental and climate action at the centre of the response to the pandemic (European Commission 2020a). This contrasts starkly with the response to the 2008/2009 crisis, when conditions tended to undermine climate action (Gravey and Jordan 2019).

Second, the Covid-19 crisis and its differential impact among Member States led to calls, in particular by the worst affected Member States, for unprecedented, additional and large EU funds to support the recovery.⁵ The Commission responded quickly to these calls and used its agenda-setting power to integrate climate concerns into the recovery fund and the MFF, placing the climate neutrality goal and the transition to sustainability at the core. The Commission successfully encouraged and drew upon the mobilisation of a growing and wide coalition of actors pushing for a green recovery plan (including a coalition of member state environment ministers, see above). The ensuing negotiations in the European Council resulted in the requirement to spend 30% of the recovery funds and the broader MFF on achieving climate goals as well as an increase in just transition funding, so that overall EU funding on climate related measures increased considerably compared to pre-crisis plans.

As an agenda-setter and in drafting proposals, the Commission skilfully acted as an entrepreneur shaping the EU's response to the Covid-19 crisis. It joined forces with stakeholders and policymakers to rebut early calls to side-line climate action, pushed for a green recovery in the EU, drew on expertise and knowledge to justify its proposals,

and grasped the window of opportunity of the EU recovery fund to advance the EGD goals.

The Commission's policy entrepreneurship contrasts with past experiences with EU crisis response. When the Commission acted as a policy entrepreneur after the 2008 economic crisis to support EU climate policy, it had to resort to initiatives which remained 'under the radar' and had no immediate budgetary or economic implications (Rietig and Perkins 2018). Being a skilled policy entrepreneur, therefore, seems an insufficient explanation for the advances in EU climate policy in the Covid-19 response. We next investigate whether politicisation can provide some further understanding.

The role of politicisation

When examining the role of politicisation in whether the Covid-19 crisis is likely to constitute a critical juncture for EU climate policy, we discuss, first, how the salience of climate change and climate policy has increased over time, and second, how politicisation events in 2019/2020 served to reduce contestation to climate policy during the Covid-19 crisis.

First, and as discussed above, climate change moved over time from a technical policy issue in the 1990s, to one of concern for the highest levels of government. Its salience increased until it became firmly established as part of high politics. Top-down or high-level politicisation of climate change in the EU has long been linked to the EU's international leadership ambitions (Oberthür and Roche Kelly 2008). With such politicisation, however, contestation increased – in the EU most often focused on the scope and stringency of climate policies rather than the issue of the existence of man-made climate change itself (Herranz-Surrallés, Solorio, and Fairbrass 2020). The salience of the climate issue was further bolstered with refined scientific understanding and advice (e.g. IPCC 2018), which also increased bottom-up politicisation through public opinion and social movements. By 2018, both bottom-up and top-down politicisation of climate change and climate policy had grown to outweigh contestation, facilitating the adoption of new climate targets and policies (e.g. for 2030) (Kulovesi and Oberthür 2020).

Second, two further politicisation events in 2019 set the stage for the EGD to be central to the EU's Covid-19 response. First, intense protests, such as the Fridays for Future movements, demonstrated public support across Europe (and beyond) for climate action, and increased bottom-up pressure on policymakers. Second, electoral gains for Green parties in national and European elections meant that climate change was further prioritised across several national governments and in the European Parliament. By mid-2019, there was broad political momentum within the EU, with the Commission, the Parliament and many member states governments aligned in considering combating climate change a high priority.

The broad momentum and convergence of bottom-up and top-down politicisation in the EU was followed by the Parliament's declaration of a climate emergency in November 2019, the launch of the EGD in December 2019 and the joint declaration of 17 member states' environment ministers in 2020 calling for a green response to the Covid-19 crisis (see above). In 2019, in her bid to gain the Commission Presidency, Ursula von der Leyen committed strongly before the Parliament to making the EGD the Commission's signature policy, also presenting the EGD as the EU's new growth strategy.

This commitment was reflected in the composition and division of competences of the new Commission, with Frans Timmermans appointed as Executive Vice-President responsible for overseeing EGD implementation. The Commission thus staked its political credibility on the EGD, which provided significant motivation to ensure it remained central in the recovery plan. The growing politicisation, and ensuing support and commitment from EU institutions and member states for strong climate action, increased the capacity to counter contestation from certain member states and business interests so that the EGD could become a central part of the EU's Covid-19 recovery (see also above).

Interactions between factors

As neither Commission entrepreneurship nor politicisation of climate change are entirely new phenomena (Lenschow, Burns, and Zito 2020; Oberthür and Roche Kelly 2008), it remains puzzling why the Covid-19 crisis has not, like previous crises, resulted in climate policy being side-lined. We discuss here the *interactions* between entrepreneurialism and politicisation to help shed further light.

Entrepreneurialism and politicisation have reinforced each other to achieve the integration of the EGD into the EU's Covid-19 response. Above, we outlined how the Commission successfully deployed its entrepreneurial skills, both to rebut early contestation, and to propose a recovery plan for the EU with the EGD as a central element. However, the Commission's success as a policy entrepreneur during the Covid-19 crisis was crucially supported by the much increased level of politicisation of climate policy, which the Commission was able to exploit alongside its usual entrepreneurial resources. By the time the Commission proposed the EGD in 2019, climate change had become an entrenched and high-level priority for governments, the public and EU institutions. It was this convergence of broad politicisation with Commission entrepreneurship that prepared the ground for the window of opportunity opened by the Covid-19 crisis to be exploited for EU climate policy.

The interaction of politicisation and entrepreneurialism seems to have been sufficient to advance and strengthen the previously adopted policy pathway (the EGD). However, as mentioned above, realisation of the full potential of the Covid-19 crisis to represent a critical juncture for EU climate policy remains to be seen as the response is finalised and implementation unfolds. As with the EGD – an earlier potential critical juncture that could have a transformational effect on EU climate policy – only time will tell. Therefore, while conditions seem favourable, further analysis will still be required to disentangle whether politicisation and deployed entrepreneurial capabilities provide sufficient explanation.

Conclusions

In this article, we investigated whether it is likely that the Covid-19 crisis represents a critical juncture for EU climate policy and, if so, why. Given the nature of a critical juncture as an event or phenomenon that moves policy or institutional development onto a new path, we face challenges in responding with certainty as we are analysing recent and unfolding events. However, by investigating long-term trends in EU climate policy, the status of EU climate policy before the Covid-19 crisis, and the place of climate policy in the EU's response to Covid-19, we were able to assess whether and to what extent the Covid-19 crisis represents a *potential* critical juncture.

We find that the Covid-19 crisis has resulted in positive effects on EU climate policy, especially by strengthening and advancing previous policy trends. While positive change is evident, a question remains about whether the Covid-19 crisis itself can be considered a critical juncture leading to a new path for EU climate policy. Our analysis shows that the EGD may yet prove to be more transformational and may itself represent a critical juncture leading to far-reaching change in EU climate policy, that the Covid-19 crisis then reinforced and advanced. While the status of the Covid-19 crisis or the EGD as critical junctures for EU climate policy will not least depend on implementation, these results contrast starkly with previous research on EU responses to crises, and particularly the 2008/2009 economic crisis, that shows that environmental and climate policies were rather side-lined, leading to stagnation and delays in policy development and implementation (Gravey and Jordan 2019; Lenschow, Burns, and Zito 2020).

We furthermore find that Commission policy entrepreneurship and politicisation have interacted to drive the positive effect of the Covid-19 crisis on EU climate policy. Based on its entrepreneurial capabilities and skills, the Commission holds an important agenda-setting role, draws on knowledge and expertise, can mobilise networks across member states and institutions, and has the capacity and skills to frame, reframe and push issues. The Commission's entrepreneurship unfolded against the backdrop of the long-term politicisation of climate change and climate policy in the EU. The increased salience of the climate issue resulted in firm embeddedness in the high-politics agenda, leading naturally to heightened contestation of climate policy. Over time, broad top-down and bottom-up politicisation made responding to climate change a priority across levels and institutions. Such politicisation meant that by 2019, when the EGD was launched, contestation could be more easily fended off. While the Commission has not always used its entrepreneurial capacity to advance climate policy (Knill, Steinebech, and Fernández-i-Marín 2020), the contemporary politicisation of climate change and climate policy in the EU provided a strong driver for it to deploy its entrepreneurial skills to propose the EGD in 2019 and to maintain it as a central aspect of the EU's Covid-19 response. Taken together, the Commission's entrepreneurship and the strong politicisation allowed for the window of opportunity opened by the Covid-19 crisis to be exploited to ensure the EGD, and climate policy, were advanced and strengthened in the EU's response, rather than side-lined, as had occurred in the past.

Our article contributes to literature on policy change, critical junctures and EU climate policy by engaging in an exploratory analysis of ongoing events and by considering how to recognise a potential critical juncture. We need to await implementation of both the EGD and the EU's Covid-19 recovery plan to establish conclusively whether the effects of the Covid-19 crisis, together with the EGD, pushed towards a (transformational) critical juncture for EU climate policy. With that, further analysis will be required to understand the explanatory roles of entrepreneurialism, politicisation and other potential factors. History teaches us, however, that such favourable conditions for EU climate policy should not be greeted with complacency. Research has outlined the many ways in which policies may be weakened or made ineffective (see e.g. Burns and Tobin 2020). Intergenerational cleavages in impacts of, and responses to, both climate change and the Covid-19 crisis may also become more acute, leading to new types and venues of contestation. Understanding the conditions for advancing EU climate policy in changing contexts and

in times of crisis (including Europe's second wave of Covid-19 in late 2020) remains critically important to ensure that EU climate policy can achieve climate neutrality by 2050 at the latest.

Notes

- See: https://www.climatechangenews.com/2020/04/09/european-green-deal-must-centralresilient-recovery-covid-19/, accessed: 8 May 2020.
- 2. See https://www.europarl.europa.eu/news/en/press-room/20200419IPR77407/eu-covid-19recovery-plan-must-be-green-and-ambitious-say-meps, accessed: 10 September 2020.
- See https://www.euractiv.com/section/energy-environment/news/eu-leaders-back-greentransition-in-pandemic-recovery-plan/, accessed: 10 September 2020.
- 4. See, for example, https://www.euractiv.com/section/energy-environment/news/timmer mans-promises-green-recovery-to-eu-lawmakers/, accessed: 10 September 2020.
- See https://www.euractiv.com/section/economy-jobs/news/eu-leaders-agree-plans-forunprecedented-stimulus-against-pandemic/, accessed: 10 September 2020.

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