
Is the European Parliament still a policy champion for environmental interests?

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Executive Summary A wide range of interest groups target the European Parliament (EP) and MEPs have a reputation for being particularly open to diffuse interests, who, due to their limited resources, use ‘friendly’ MEPs to put pressure on the European Commission and the Council. The notion of the EP representing diffuse as opposed to concentrated interests, conflicts with the broader political science literature on interest groups that dwells on business bias. The general expectation in the literature is for concentrated groups (such as the automobile industry) to prevail over diffuse interests (such as environmental interests). This article considers whether this is a case of conventional wisdom confirmed – or a sectoral exceptionalism. In fact, there are good reasons to doubt the EP’s reputation as a policy champion for diffuse interests. Much of our current knowledge about the EP’s interest group politics stems from a time when the EP’s legislative powers were more limited. Within a relatively short time span the EP has evolved from a token ‘multi-lingual talking shop’ to, what some researchers have named, one of the most powerful elected legislatures in the world. Arguably, as the powers of the EP have increased, so has attention from interest groups. Few interest groups now dare leave the parliamentary arena to their opponents, and most interest groups adopt a belt-and-braces approach in which ‘the institutional trio’ (the European Commission, Council and the EP) is lobbied throughout the policy process. The increased powers raises the question of whether the EP still privileges diffuse interests or simply reinforces the advantages of concentrated interests. This question is addressed in this article by examining one recent regulation: Regulation 2011/510/EC on the reduction of CO₂ emissions from light commercial vehicles. Based on process-tracing of EU documents and lobbying letters, and interviews with MEPs, EP officials and interest groups, this article shows that the EP is no longer an environmental champion, but instead appears to be more of an environmental pragmatist. Three factors contribute to this change: asymmetric lobbying from industry, a change in the EP’s negotiating strategy and increased cooperation between the EP committees. These changes have reduced the privileged position once held by diffuse interests, and provided concentrated interests with

a more advantageous European parliamentary arena in which they can advance their demands.

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In February 2011, the European Parliament (EP) adopted legislation to reduce carbon dioxide (CO₂) emissions from light commercial vehicles (known as the ‘vans regulation’) after reaching a first reading agreement with the Council. The EP agreed to a text that watered down the European Commission’s proposal by voting for lowering CO₂ emission targets proposed for vans and reducing penalties for non-compliance. While the majority of MEPs took the view that ‘the van industry’s dire economic situation and long production cycles merited “more carrot and less stick”’ (EurActiv, 2010), environmental organisations and several Members of the European Parliament (MEPs) criticised the EP for caving in to lobbying pressure from the automobile industry, and voting against the interests of consumers, small businesses, and the environment’. The outcome of the vans regulation goes against the EP’s reputation as a policy champion for environmental groups.

The EP was portrayed as ‘an environmental champion’ (Burns, 2005), ‘a defender of environmental interests’ (Weale *et al*, 2000) that is ‘predestined to save the earth’ (Judge, 1992). Indeed, researchers often conclude that ‘environmental NGOs have a natural ally in the shape of the EP, whose members are quick to take up concerns popular with their electorate’ (Greenwood, 2011, p. 158). This reputation has been earned mainly due to the activities of its influential Environment, Public Health and Food Safety committee (ENVI). However, more recent studies (Smith, 2008; Burns and Carter, 2010) suggest that the EP’s green credentials have decreased with an increase in the EP’s legislative powers. Perhaps this can be taken as a sign of the EP’s interest groups politics starting to look more ‘normal’ in which common assumptions in the interest group literature – for concentrated interests to prevail over diffuse interests – find resonance in the EP. The aim of this article is to understand why the EP accepted a text on the vans regulation that diluted the environmental ambition of the European Commission’s proposal instead of serving as a champion for environmental groups. The vans regulation is chosen because it represents a typical example of an EU regulation in terms of being subject to the ordinary legislative procedure, a revision of an existing piece of legislation, and a re-regulatory policy (replacing national rules with common EU rules).



The article is based on observations of EP committee meetings, analyses of EU documents, emails sent to MEPs, interest groups' position papers and lobbying letters as well as 27 interviews with interest groups, EU officials and MEPs.¹ The article is organised as follows. The next section introduces the theoretical framework; then examines the various arguments used by the car industry and environmental interests before analysing the impact lobbying has had on the EP's policy process and outcome.

The Influence of Interest Groups in the EP

The question of 'who gets what and how' is decisive in shaping the reactions of interest groups to a given policy. As Lowi (1964) and Wilson (1974) maintain, the type of policy shapes the policy arena and the actors who mobilise to mould legislation. Political action is easier to stimulate when the benefits to be maintained or the costs to be avoided are concentrated on a particular group. It is generally maintained that, 'Since people are more sensitive to losses than gains, losers are more likely to mobilize politically than winners' (Daugbjerg and Svendsen, 2001, p. 134). Reducing CO₂ emissions from light duty vehicles is typical example of what Wilson (1974) would call 'entrepreneurial politics', in which the costs of improving environmental standards are concentrated on a specific and easily identifiable group (the automobile industry), and the benefits widely distributed to society as a whole. In such a scenario, the general expectation is for opponents to have strong incentives to organise to reduce, or at least not increase, the burden of regulation. On the contrary, those benefiting from a policy lack selective incentives necessary for overcoming typical barriers to collective action (Olson, 1965). Policy will be blocked, or watered down, by vested interests that benefit from the status quo unless a policy entrepreneur takes an active role in guiding the legislation towards fruition.

In the EU system of multi-level governance involving a very diverse set of actors, 'costs' flowing from legislation include economic loss, loss of decision-making competences resulting from relinquishing powers to 'Brussels' and the costs associated with instrumental adjustment to a new regulatory framework. A great majority of EU decisions taken entail one or the other type of costs for those involved. Lobbying of the EP is therefore not confined to the usual suspects (non-governmental organisations, businesses/industries, public affairs companies), but also includes 'the institutional lobbyists' (such the governments of the EU's member states and non-EU countries). Environmental regulation is primarily dealing with cross-border problems – such as pollution – that cannot sufficiently be dealt with by individual member states. Although member states might have a common interest in providing a public good and in



improving the environment, there are marked differences regarding the anticipated benefits of environmental regulation, and the willingness to bear the costs of higher environmental standards (Scharpf, 1997). For example, ‘Southern member states seeking to widen their industrial base may find it more burdensome than their Northern counterparts to finance the installation of environmental technology’ (Héritier, 1999, p. 52). Or member states, experiencing low growth and high unemployment, might find other issues more pressing to address than promoting ambitious, and costly, environmental standards during a financial downturn. Thus, the positions taken up by member states and MEPs differ according to the economic interests at stake, the stringency of domestic environmental legislation and the level of economic development. As suggested by Scharpf (1997), this might lead to a conflict between those member states and MEPs who are environmental leaders and those who are environmental laggards.

If common assumptions about interest group influence – for concentrated interests to be more successful than diffuse interests – are set in the context of EU decision-making, how successful might diffuse and concentrated interests be in influencing policy outcomes? Two features of the EU might reduce the likelihood of concentrated interests prevailing over diffuse interests: funding of diffuse interests and the oft-occurring fragmentation of European industry federations. First, many diffuse interests receive funding from the EU budget, which has helped diffuse interests in overcoming the Olsonian collective action problem. In accordance with neo-pluralism, the European Commission has sought to overcome the inbuilt bias in pluralism by deliberately subsidising and giving access to diffuse interests. Applicant organisations are required to be operating at a European level either alone or in the form of several coordinated associations with a membership base including as a minimum three EU member states, and activities should mainly be at a European, rather than at an international, level (European Commission, 2011). In 2011, environmental non-governmental organisations (ENGOS) received €8 997 284 in EU funding (European Commission, 2011). Although these arrangements may not fully prevent the possible dominance of special interests in the EU policy making process, they do facilitate the representation of diffuse interests.

Second, European industry federations are often described as being inherently weak owing to their inability to reconcile divergent national interests and to arrive at anything but the lowest common denominator position (Grant, 2011). Producers from different member states often compete with each other in the EU policy process as they want their national rules to provide the basis for EU legislation. Contrast this to diffuse interests, such as ENGOS, who often stand more united as they are fighting for the same cause and share the same conviction. The ideological cohesiveness of diffuse interests enables them to build large European networks representing a European view.



In the environmental field, this is witnessed by the Green 10. Green 10 is a loose, but coordinated, network of 10 of the largest European green organisations and networks active at the EU level, which coordinate joint responses and recommendations to EU decision-makers (Green 10, 2011). Between the Green 10 ENGOS, there is an 'informal and unwritten division of labour to enable the organisation with the natural specialism to take the lead' (Greenwood, 2011, p. 151). Usually, the relationship among the Green 10 is more harmonious than European business federations as they have the advantage of more easily being able to construct and maintain broad cross-national coalitions compared to business interests. Coordination and cooperation between Green 10 ENGOS have been helped by the occupation by five of the Green 10 members of the Mando-b building in Brussels, which is a sustainable building housing Belgian and European NGOs near the EP.

Despite the EU's NGO funding, diffuse interests may still be at a disadvantage compared to concentrated interests as the former often work on the ideas level and are less engaged in the specific technical details of policies. Some EU legislative proposals may be of such a technical nature that only very few interest groups are able to provide decision-makers with the detailed information they need regarding the state of the market and the likely effectiveness of a proposal. The level of technicality both influences decision-makers dependency on outside expert information as well as the number of interest groups holding this information. Producers, directly affected by highly technical internal market legislation, often possess greater technical expertise compared to diffuse interests, which is an advantage when lobbying EU decision-makers on highly technical issues.

In the EP, rapporteurs and shadow rapporteurs (key MEPs), in particular, rely extensively on interest groups to provide them with information and to translate complex and technical information into brief 'digestible' notes. Parliament's extensive workload gives considerable scope for lobbyists to influence MEPs, assistants and policy advisors. When drafting the committee reports, rapporteurs routinely seek out key interest groups to solicit their views. It is often reported that representatives of European associations have written large parts of the rapporteur's report and the amendments proposed by committee members (Earnshaw and Judge, 2006, p. 64). Unlike the European Commission, the EP's consultation of stakeholders is not institutionalised. Whereas the European Commission often spends 3–4 years preparing a proposal with advice from a large number of expert and high-level groups, a rapporteur in the EP only has a few months to prepare a report. The main information-flow between the EP and interests groups happens via informal contact during the three stages of committee scrutiny: the rapporteur's draft report phase, the open amendment phase and the voting (for more on this, see Marshall, 2010). During these phases, interest groups send amendments and

voting lists to MEPs. Lobbying mainly takes place during EP committee scrutiny rather than before plenary votes. This is because committees are responsible for examining the details of legislation. MEPs' default behaviour in plenary is to follow the voting recommendations of their group (except in the case of fringe groups) and to adopt the committee report (Ringe, 2010). Thus, formulating amendments to key MEPs and shaping the content of a committee report are crucial for determining the EP's, and in the end, the EU's legislative outcome.

In the EU, the type of policy does not only determine the distribution of costs and benefits on societal groups, but also the choice of decision-making procedure and the relative influence of the EU's institutions. There is a large literature examining under what conditions the EP is particularly likely to have its amendments reflected in the final text agreed between the EP and the Council (see for instance Shackleton, 2000; Tsebelis *et al*, 2001; Kreppel, 2002; Burns, 2005; Häge and Kaeding, 2007). Burns (2005) qualitative comparative case study of the EP's policy influence on Socrates, novel foods and biotechnology cases shows that the distribution of costs and benefits delivered by legislation is crucial in determining the EP's legislative influence vis-à-vis the Council. Under a concentrated costs/diffuse benefits configuration, the EP is particularly likely to see its amendments successfully incorporated into final legislation when the costs arising from legislation are imposed on industrial actors rather than member states (for the EP's influence under other interest group configuration, see Burns, 2005). The vans regulation represents a regulatory policy in which the costs of the Commission's proposal are concentrated on industrial actors rather than member states. The expectation from the literature on the EP's legislative influence (such as Burns, 2005) is for those interest groups who manage to influence the EP's policy outcome to be particularly likely to have their views reflected in the final legislative text.

Interest Group Positions on the Vans Regulation

In November 2009, the European Commission put forward a proposal to reduce the CO₂ emissions from vans (European Commission, 2007). This proposal suggested that from 1 July 2013, the average specific emissions of new vans registered in the Community should not exceed 175 g CO₂/km. This target was suggested to be phased in gradually from 1 January 2014 onwards with full compliance of the new light commercial fleet from 2016. The proposal also set a long-term target of 135 g/km to be achieved from 2020 subject to confirmation of its feasibility on the basis of updated impact assessment results. The proposal mirrored many aspects of the existing car CO₂ regulation in terms of the applied utility parameter (weight), phase-in, a short-term and a



2020 long-term CO₂ reduction target, credits for eco-innovations, and super-credits (multiple counting of vehicles with particularly low emissions). Given that many of the modalities were already in place, the discussion on the vans regulation focused on a limited number of issues, mainly the long-term target, and the phase-in period. This meant that there was little room for manoeuvre for interest groups to change the thrust of the legislation as it had to comply with the basic principles laid out in the passenger cars legislation.

The lobbying spectrum included car manufacturers (such as Ford, BMW, Volvo, Renault/Peugeot-Citroen, Fiat, Volkswagen, Jaguar Land Rover (JLR), Toyota), car associations (such as the European Automobile manufacturers associations, ACEA), and a few number of environmental organisations (mainly T&E and, to a lesser extent, Greenpeace). Throughout the EU's decision-making process, the automotive industry lobbied hard for reducing the long-term target, the phase-in period and the application date. They pleaded the EU institutions not to introduce new costly regulation during the financial crisis and questioned the need to regulate CO₂ emissions of vans right from the beginning. ACEA lobbied for a short-term target of 175 g CO₂/km by 2016 with phase-in from 2015 to 2018 and a long-term target of 160 g CO₂/km by 2020. On the contrary, ENGOs lobbied for more ambitious climate targets – a short-term target of 160 g CO₂/km by 2015 and a long-term target of 125 g CO₂/km by 2020 – and claimed that the automotive industry was using the economic downturn as a green-wash to avoid cutting emissions (for position papers and news releases, see ACEA, 2009, 2011; T&E, 2010a, b).

Unlike the passenger cars regulation, there was no business war between car manufacturers from different countries as the van market is more homogeneous than the passenger car market. This strengthened the position of the industry as they could largely speak with one voice on key issues. There was, however, disagreement lurking under the surface on specific issues, such as the possibility of pooling between cars and vans (averaging between distances to targets). Some companies were in favour of the possibility of pooling between cars and vans (such as Ford), whereas companies producing only cars (such as BMW) were against as they feared they would be put at a competitive disadvantage and that it would lead to a reopening of the cars regulation.

T&E welcomed the European Commission's proposal, but thought that the long-term target could be more ambitious and wanted to include speed limiters in the regulation. The European Commission's proposal was supported by leasing companies and Small and Medium Enterprises (SMEs), who believed that the proposed emissions target for vans would increase fuel efficiency and reduce the costs for small businesses using vans. Car manufacturers did not find that the European Commission's proposal accommodated their views as they thought it disregarded the economic reality as well as the specific characteristics of the vehicle segment concerned.



All the nine interviewed car manufacturers felt that the European Commission had already made up its mind before conducting stakeholder meetings. The car industry found it particularly problematic that the vans regulation – which is in theory both an industry and an environmental issue – was only led by the general-directorate (DG) for Environment and not jointly together with the DG for Enterprise and Industry. ‘The problem was that there was no-one to defend the industry as DG Environment treated the vans regulation as a pure environmental issue’ (Interview, car industry, July 2011). Furthermore, the European Commission’s impact assessment was thought to be weak and incomplete, suffering from inadequate assumptions and data. Many car manufacturers depicted DG Environment and DG Climate Action as ‘confrontational’, ‘evangelical’ and on a ‘moralistic crusade’. As one car manufacturer expressed it, ‘they are getting greener and greener. I think many of them felt that they didn’t get what they wanted on passenger cars, and therefore went for a bit more on the vans regulation [...] sometimes it would be nice if the Commission would put forward more reasonable proposals so we don’t have to play heavy and go the top of the Commission’ (Interview, July 2011).

One niche car manufacturer, JLR, had to play hardball and lobby at the College of Commissioners intensively to secure its interests before the European Commission’s proposal was put forward to the EP and the Council. Although JLR secured a derogation for small volume manufacturers in earlier drafts of the vans regulation – in which JLR would negotiate an individual CO₂ reduction target with the European Commission – the Environment Commissioner, Dimas, had removed the small volume derogation in his paper sent into inter-service consultation. This meant that JLR had to spend the whole of August 2009 ‘whizzing around the heads of cabinets to get the other DGs to see Dimas’ error’ (Interview, JLR, August 2011). JLR’s sales amounts to less than 1 per cent of total EU sales and primarily include the Defender – a heavy workhorse vehicle designed to be operable in all duty cycles regardless of terrain and resistant to damage. Owing to the Defender’s very nature, JLR find it difficult to make the Defender aerodynamic and fuel efficient. Therefore, JLR urged the European Commission to insert a small volume derogation with a vehicle volume cap of 25 000. Owing to intense lobbying from JLR, the College of Commissioners included the small volume derogation into the proposal only a few days before the proposal was formally published.

Lobbying Strategies

While the car industry was both more active in lobbying Parliament than environmental interests, they took up similar lobbying strategies: target key MEPs, furnish your legislative allies with facts and arguments, and seek to win



over undecided MEPs. However, the picture is not as crude as depicted in the American signalling literature, where the general consensus is for interest groups to primarily lobby their legislative allies, occasionally engage with fence-sitters, but only rarely approach their opponents (Baumgartner and Leech, 1996; Kollman, 1997). In the EP, this distinction is less clear as the formal constraints are such that interest groups often lobby their opponents (Marshall, 2010). The key is to target those MEPs, who are in charge of the file: rapporteur and shadow rapporteurs. However, most interviewees find that lobbying clear opponents is inefficient and often a waste of time; legislative allies need to be furnished with the necessary facts and arguments to be able to convince their colleagues, and undecided MEPs are important to swing a vote in the preferred direction. As one car manufacturer explained, ‘You shouldn’t try to over-lobby your clear opponents because you are just going to irritate them and wind them up. You need to make sure that your friends – in quotes because there is no cosy relationship like that – have the facts at their fingertips; that you educate them a little bit on what the key issues are. In the final analyses, when you are lobbying, it comes down to the fence-sitters because they will swing the group position one way or the other. It is a bit crude to say that you have friends and foes, but the usual suspects are ‘the people in middle’ (Interview, July 2011).

Crucial to convincing MEPs of one’s position is to ‘find the right way to open a person’s mind’ – as one interviewee explained – and frame an issue differently when talking to a conservative, liberal or socialist MEP. When approaching an MEP from the *Group of the Progressive Alliance of Socialists and Democrats* (S&D), the car industry would often try to focus on the social aspects of the vans regulation, such as what impact the dossier would have on jobs and SMEs. The German Association of the Automotive Industry would for instance bring along a member of the Betriebsrat (German Works Council) from one of their member companies when lobbying S&D MEPs to show that political decisions in Brussels also affect the rights of employees. The industry associations were also highly aware of giving an issue a national angle when speaking to MEPs of various nationalities, and try to bring along a member from the MEP’s country when meeting an MEP.

Both the car industry and the ENGOs focused their lobbying on the rapporteurs and shadow rapporteurs from the responsible and opinion-giving committees. ACEA first and foremost lobbied key MEPs, while encouraging their members to lobby their national MEPs and MEPs from countries in which the individual companies have production sites. Generally, both the car industry and the environmental groups refrained from lobbying MEPs, who were vehemently against their views, and MEPs from the fringe groups, unless they were seen as paramount for carrying a vote at the committee or plenary stage. All the nine interviewed car

manufacturers found it difficult to get an informative debate with the Greens and European United Left/Nordic Green Left as these groups often refuse to get information from the industry.

The interviewed interest groups found it particularly important to lobby MEPs from the *Alliance of Liberals and Democrats for Europe* (ALDE) group, which was repeatedly referred to as Parliament's kingmaker and fence-sitter. The ALDE group is often divided between green British and French MEPs and industry-friendly German MEPs. On the vans regulation, the ALDE group was completely split during the committee discussions with the shadow rapporteur (German MEP, Holger Krahmer) in ENVI siding with the car industry and the ENVI coordinator (British MEP, Chris Davies) taking up the views of T&E. Whereas Holger Krahmer tabled amendments supporting a long-term target of 150 g/km by 2020, Chris Davies tabled amendments suggesting a target of 125 g/km. The division within the ALDE group shows that the ascendancy of the centre-right majority following the 2009 EP elections – when the ALDE and the European People's Party voted together – does not appear to have provided industry groups with a more favourable lobbying venue.

Throughout the EP policy process, T&E worked closely with Chris Davies by providing him with in-depth policy analyses, expertise and arguments. T&E would for example send an email to make Chris Davies aware of surveys reported in the German tabloid *AutoBild* on whether or not people want speed limiters for vans, and provide updates on vans regulation in China and the United States. The close working relationship between T&E and the ALDE coordinator amounts to what Hall and Deardoff (2006) would describe as legislative subsidy – organised interests take up the role of being a service bureau or adjuncts to staff for carefully selected legislators in support of shared policy objectives. As Chris Davies explained when asked how he made up his mind on the vans regulation, 'my support of a long-term target of 125 [g CO₂/km] came from the T&E. I worked closely with T&E. They helped me build my arguments and provided me with research that supported my position. I appreciate the T&E's support, but I don't know how effective they have been in changing people's minds. What you really want is to have a company supporting T&E's position [...] then it would really carry weight' (Interview, August 2011). The ALDE coordinator contacted leasing companies and SMEs in support of the Commission's proposal to encourage them to become active. Prompted by Chris Davies, the European Small Business Alliance sent a letter to all ENVI members 2 months before the committee vote, expressing its support for the Commission's draft proposal. This illustrates that lobbying is not a 'one-way alley' as MEPs may stimulate interest groups to become active on a dossier to gain support for their position inside Parliament.



The EP Policy Process and Outcome

The European Commission's proposal was put forward to ENVI as the responsible committee in December 2009 with the committees of 'industry, research and energy' (ITRE) and 'transport and tourism' as opinion-giving committees. ITRE was assigned associate committee status following the so-called 'reinforced Hughes' procedure, which aims to engage committees in enhanced cooperation when a piece of legislation intersects the policy remit of several committees (Corbett *et al.*, 2007, p. 136). Many of the policy proposals referred to ENVI have both environmental and competitiveness implications, increasing the occurrence of turf battles between the EP's committees. Similar to the European Commission's DGs, EP committees are often biased towards their policy priorities with ENVI often prioritising environmental over industry concerns. In several cases, where a legislative proposal has both environmental and competitiveness implications, the EP's Conference of Presidents has responded by invoking the enhanced Hughes procedure. Owing to the increased cooperation between the EP's committees, the car industry generally saw the EP as a better aggregator of demands than the European Commission. This was however not a view shared by the environmental groups as they did not find that the vans regulation accommodated their views. As can be seen from the Table 1, the industry's and ENGOS' preference attainment varied throughout the policy process.

Initially, the rapporteur of ENVI, British conservative MEP Martin Callanan, was not entirely convinced about the need for regulating CO₂ emissions from vans following the argument that vans are bought by businesses, which are already conscious of the need for economy and fuel efficiency. In his first report, he expressed doubts about the feasibility of the proposed long-term target of 135 g CO₂/km by 2020. Given the higher costs of reducing CO₂ in light commercial vehicles compared to cars, and the longer development and production cycles needed, he argued that a target of 150 g CO₂/km would be a more achievable target. Lastly, the draft report included two new provisions, which were not included in the European Commission's proposal, although these were considered in its impact assessment:

- The possibility of pooling between vans and passenger cars (averaging between distances to targets) for manufacturers that produce both cars and light commercial vehicles.
- The introduction of mandatory speed limiters for light commercial vehicles of 120 km/hour (European Parliament, 2010b).

Martin Callanan's first draft report was welcomed by ACEA, whereas the ENGOS regretted that the initial European Commission proposal had been weakened. Although the rapporteur's draft report favoured the views of

**Table 1:** Key changes to the European Commission's proposal

	<i>Short-term target</i>	<i>Long-term target</i>	<i>The excess premium (in €/g)</i>	<i>Other provisions</i>
The European Commission's proposal	175 g CO ₂ /km by 2016, with phase-in from 2014 to 2016 (75 per cent/80 per cent/100 per cent)	135 g CO ₂ /km by 2020	120	—
The ENVI rapporteur's draft report	Supports the Commission's proposal	150 g CO ₂ /km by 2020	95	Speed limiters, pooling between vans and cars included
ENVI's final report	Supports the Commission's proposal	140 g CO ₂ /km by 2020	95	Speed limiters excluded, pooling between vans and cars included
Plenary vote	175 g CO ₂ /km by 2017 with phase-in from 2014 to 2017 (70 per cent/75 per cent/80 per cent/100 per cent)	147 g CO ₂ /km by 2020	95	Speed limiters and pooling between vans and cars excluded



industry in terms of easing the long-term target and reducing the penalty premium, it did not give in to industry pressures to delay the phase-in of the short-term target. Furthermore, the idea of speed limiters was included in the first draft report, which was an issue T&E and Greenpeace were lobbying for. Although Greenpeace knew that amendments introducing speed limiters would be met with fierce opposition from key German MEPs and the German government, they hoped that MEPs could at least use it as a bargaining chip in the trilogue meetings to secure a more ambitious long-term CO₂ reduction target. As expressed by Greenpeace, ‘we thought that it would be fantastic to win the issue of speed limiters fully and it would be fantastic to have it in the legislation but we weren’t quite so reckless in our thinking. It would have been a good way to negotiate with the Council’ (Interview, August 2011).

As the main controversy within and outside Parliament was the long-term target, ENGOs did not, however, find that the report accommodated their views. During the debates in ENVI, the discussion on vans was nationally dominated between MEPs from car-manufacturing and non-car-manufacturing countries. The Italian, French and German MEPs across the political groups were fairly critical of the European Commission’s proposal, and sided with the industry’s view. German MEPs were very much influenced by the German car-industry and suggested that the long-term target should be increased to 160 g CO₂/km (the industry position). However, before the vote in ENVI, the rapporteur and shadow rapporteur struck a deal to support a long-term target of 140 g CO₂/km in order to get the socialists, greens and liberal MEPs to support the committee report. The 140 g CO₂/km long-term target was adopted despite ITRE’s and the ENVI rapporteur’s suggestion to have a 2020 target of 150 g CO₂/km, and significant lobbying from the car industry. This suggests that socialist, greens and liberal MEPs were influenced by the environmental lobby, and that the ENVI report would have been closer to the car industry’s position without lobbying from the T&E and Greenpeace. Although it is difficult to know what the outcome would have been without lobbying from environmental groups, they had an impact on the arguments used by MEPs favourable to their views. As a representative from Greenpeace said, ‘I do believe that we made an effect at least to inspiring those MEPs who were promoting a green line. That’s what you do when you lobby Parliament – you give people ideas’ (Interview, August 2011).

The final ENVI report lowered the level of the penalty for non-compliance from €120/g to €95/g, and decreased the ambition of the 2020 long-term target from 135 g CO₂/km to 140 g CO₂/km. Amendments on pooling between cars and vans as well as introducing speed limiters were defeated (European Parliament, 2010a).

A first reading agreement was reached between the Council and Parliament in February 2011 following intense negotiations in trialogue meetings. The first reading agreement meant that there was no room for interest groups to influence the outcome of Parliament's plenary vote as MEPs voted, and adopted, the compromise reached between Parliament and the Council. On 15 February 2011, an absolute majority of MEPs voted in favour of the Council and Parliament's compromise, which decreased the long-term target to 147 g CO₂/km by 2020 (European Parliament and Council of the European Union, 2011). This target was based on a political compromise between the Council and Parliament as the Council initially opted for a long-term target of 155 g CO₂/km and Parliament for 140 g CO₂/km. Most interviewees were surprised that the Council and the EP managed to strike a first reading deal given the genuine disagreement both within and between the two institutions. Germany was particularly sceptical about introducing any long-term target below 155 g CO₂/km. In the end, Germany supported a long-term target of 147 g CO₂/km as they were offered a concession on the regulation on 'state aid to facilitate the closure of uncompetitive coal mines' (European Commission, 2010). The example brings to light the complexity of EU decision-making, in which numerous factors affect the final policy outcome. Horse-trading, concessions and compromises are key features of EU decision-making and necessities to reach agreements across member states and institutions. With its enormous diversity of interests, EU policy making would inexorably result in a joint decision-making trap (Scharpf, 1988) – where agreements reflect the lowest common denominator – if it was not for the extensive use of informal strategies to prevent political stalemates.

Although it is difficult to know what the final long-term target would have been without the existence of lobbying, most interviewees argue that the outcome would have been more ambitious without the lobbying from the car industry. As the draft person in the European Commission expressed, 'in my mind, there is no doubt that the car-industry managed to water down the proposal. Look at the final policy outcome ... the environmental organisations had none of their views reflected' (Interview, August 2011). However, one issue played against the effectiveness of the car industry's lobbying on this dossier: the car industry's credibility. Some MEPs had the perception that the car industry fought too hard and over-achieved on the car-passenger CO₂ regulation: 'there was a view in the environment committee that the industry had somehow misled MEPs and had been too successful on the passenger cars regulation, and that there should be a bit of a pay-back this time' (Interview with car-manufacturer, July 2011). This may explain why the ENVI report opted for a long-term target of 140 g CO₂/km rather than 150 g CO₂/km as suggested in the rapporteur's report.



Discussion: What Factors Explain the Outcome?

The findings from the vans regulation show that the EP no longer appears to be a particularly sympathetic venue to environmental groups. This finding is also supported by recent findings by Smith (2008) and Burns and Carter (2010), suggesting that the conclusions drawn from the vans regulation go beyond the specific case. Smith's (2008) research on the End-of-Life Vehicles Directive and REACH shows that the EP's green credentials is contingent upon the degree to which MEPs are exposed to lobbying from both diffuse and concentrated interests, and the level of overlap between the policy realms of the EP committees. Burns and Carter's (2010) study of whether the EP's reputation as a green champion is still deserved finds that the EP has toned down its demands for stringent EU environmental regulation over time. Similarly, on the vans regulation, the EP did not assume the role of environmental policy champion. While the ENVI report and the final text did not favour the views of ENGOs, nor did it simply capitulate to the demands of the car industry.

Why did the EP agree on a text that went against its traditional role as a defender of environment interests? Three explanations to this question repeatedly came up during the interviews: asymmetric lobbying from the car industry, a change in the EP's negotiating strategy, and increased cooperation between the EP committees. The first explanation – asymmetric lobbying – relates to the activities of the involved interest groups, whereas the latter two relate to the question of how the EP as an institutional venue shapes policy actors' (interest groups, MEPs and EP policy advisors) behaviour.

First, all interviewees agreed that the long-term target would have been closer to the European Commission's position without lobbying from the car industry. In the European Commission's mind, there was no doubt that the car industry managed to water down the proposal as nobody else, other than the car industry, lobbied for less stringent targets. If the car industry had not lobbied, there would have been no incentive for MEPs to defend the industry's view. In the words of an ACEA representative, 'if we had not said anything that would have meant that we would have agreed with what was on the table [the Commission's proposal]. Either it would have stayed at what the Commission proposed or gone down following lobbying from T&E' (Interview, September 2011). Similar to the findings of Smith (2008), the vans regulation suggests that when MEPs are exposed asymmetrically to industry lobbying on a specific dossier, they are less likely to support ambitious environmental provisions than those who are more evenly exposed to lobbying from opposing interest groups. When legislators are subject to a variety of alternative understandings of a specific policy issue, they are likely to reconsider and mould their support for a specific policy proposal.



Second, a more compelling, institutional, explanation of why the EP did not take up the role as a champion for diffuse interests has to do with a change in the EP's negotiating strategy. As one EP committee administrator explained, 'the EP can take two positions: it can propose a very ambitious target and have some negotiation margin, or it can propose something that is realistic – Martin Callanan took up the last strategy' (Interview, July 2011). All interviewees agreed that the rapporteur tried to steer a middle ground between competing demands in Parliament, and took up a realistic position that would be acceptable for the Council given Germany's sceptical position. The increased use of informal meetings between the EP and the Council from before the first reading means that the EP can more effectively predict which amendments have a chance of being accepted by the Council. Martin Callanan's approach can therefore be seen as part of a process of anticipatory compliance, whereby the EP moderates its demands to increase the likelihood of reaching an agreement with the Council. It is widely acknowledged by EU scholars that the introduction of new formal and informal decision-making rules has altered the dynamics between the EU institutions (see for instance Shackleton, 2000; Burns and Carter, 2010; Reh *et al*, forthcoming). In the past, the EP saw itself as part of a long-term institutional game to increase its powers and was prepared to adopt challenging amendments or even sacrifice legislation to boost its legislative powers. With the application of the ordinary legislative procedure to most areas under the Lisbon Treaty, the EP has won its 'battles for more legislative powers' (Burns and Carter, 2010, pp. 16–18). This has in turn led the EP to moderate its demands to be seen as a credible and serious legislative player.

Lastly, several interviewees found that there was better cooperation and communication between the EP committees than between the European Commission's DGs, and therefore saw the EP as a better aggregator of demands. It is not unusual for the European Commission to suffer from strong in-fighting between Commissioners. There is often a turf war between DG Environment/DG Climate Action favouring environmental concerns and DG Enterprise and Industry advancing industry concerns. Likewise, 'there are often disputes between the environment and industry [in the EP] with the industry committee supporting a pro-industry line, and the environment committee taking up a pro-environment line, although Parliament tends to arbitrate between the two lines' (Interview, MEP, August 2011). The increased cooperation between the EP committees as a result of the introduction of the reinforced Hughes procedure in 2002 has led to increased communication and cooperation between the EP committees. When the Hughes procedure is enforced, reports from responsible committees are less likely to be carried on the floor without taking into account the views of MEPs from associate committees. Committee members, particularly rapporteurs and shadow rapporteurs, act as cue-givers



to non-committee members, who have less information and often less intense preferences (Ringe, 2010). The more committees are involved in the scrutiny of a legislative proposal, the higher the diversity of cues given from expert MEPs to non-expert MEPs, rendering the position of the lead committee more vulnerable to changes during plenary. ENVI amendments are thus less likely to be carried on the floor without concessions to the competitiveness concerns of ITRE MEPs.

The increased degree of horizontal policy coordination between the EP's committees has to be seen in tandem with a general change in the EU's environmental regulatory discourse and a change in the saliency of environmental policies from silent to salient (Wurzel, 2012). Until the late 1990s, EU environmental politics was largely driven by an environmental advocacy coalition consisting of the EP's ENVI committee, the European Commission's DG Environment and an Environmental Council (Wurzel, 2012). The sectoral autonomy of EU policy making with weak horizontal policy coordination made it possible for the EP's ENVI committee together with the European Commission's DG Environment to act as policy champions for environmental groups. 'Since 2000 the EP has been increasingly influenced by the EU's general fixation with the Lisbon Agenda' and its focus on creating a competitive economy (Burns and Carter, 2010, p. 15). Environmental legislation is increasingly viewed through a competitive lens – rather than merely being embedded in an environmental frame – with closer attention paid to the competitive implications of environmental policies. The Europe 2020 Strategy, replacing the Lisbon Strategy, has become a point of reference for much of the EU's current legislation, and created overlap between policy realms of the European Commission's DGs, the EP's committees and the Council's working groups. The increased horizontal policy coordination has diminished the EP's previous role as a defender of environmental interests.

Conclusion

Why did the EP accept a text that diluted the environmental ambition of the European Commission's proposal instead of taking up its traditional role as a policy champion for environmental groups? This article has shown that both factors pertaining to the specific case of the vans regulation as well as wider EP institutional changes explain why the EP did not act as a conduit for diffuse interests on the vans regulation.

First, MEPs, MEP assistants and EP policy advisors were asymmetrically exposed to lobbying from the car industry as ENGOS were both less numerous and active in pressing their demands before Parliament. Although the T&E and Greenpeace did not have any of their demands included in the final outcome,

they managed to launch and sustain a debate within the EP on the issue of speed limiters. Several interviewees doubt that the discussion on speed limiters would have been so prevalent in Parliament had Greenpeace and T&E not lobbied so strongly in favour of it. Although Greenpeace and the T&E fervently supported the inclusion of speed limiters within the scope of the vans regulation, they knew it would be difficult to get through the Council owing to the opposition from Germany. Nevertheless, they hoped that if Parliament could not get it included in the vans regulation during the trilogue meetings, it could at least provide a basis for obtaining concessions on the long-term target.

Second, lobbying on one dossier cannot be seen in isolation from other dossiers. The vans regulation closely mirrored the existing legislation on the reduction of CO₂ emissions from passenger cars. As all the big dragons had been slain in the debate on the reduction of CO₂ emissions from passenger cars in 2007–2008, lobbying on the vans regulation was restricted to a small number of issues. The car industry's credibility was questioned by several MEPs as there was a general feeling within ENVI that the car industry had fought too hard on the passenger cars regulation. This may explain why the final committee report suggested a more stringent long-term target than the one put forward in the rapporteur's draft report. Furthermore, the very nature of EU legislation as closely mirroring existing legislation means that there is often little room for interest groups to change the thrust of a legislative proposal, limiting the risk of business capture.

Third, wider institutional changes inside the EP and between the EU institutions mean that the EP has sought to moderate its environmental demands. These institutional changes relate to increased cooperation between the EP committees (responsible and opinion-giving committees), a change in the EP's negotiating strategy, and a change in the EU's regulatory discourse. Although turf wars between ENVI and ITRE are an oft-occurring feature in Parliament, the increased cooperation between the two means that policy outcomes tend to steer a middle course. The increased cooperation between the EP's committees – following the introduction of the revised Hughes procedure in 2002 – has to be seen in connection with a general change in the EU's environmental regulatory discourse. Environmental legislation is increasingly viewed through a competitive lens with closer attention paid to the competitive implications of environmental policies. In addition to this, the EP also appears to have changed its strategy when negotiating with the Council from being a challenging, and at times stubborn, player to becoming a more constructive legislative player. In the vans regulation, this was exemplified with the rapporteur taking up a position that would serve as a reasonable point of departure for reaching an agreement with the Council. Thus, although Parliament has in the past been seen as an environmental trailblazer advocating the views of environmental interests, it now appears to be more of an



environmental pragmatist. This has in turn reduced the privileged position once held by diffuse interests, and provided concentrated interests with a more favourable European parliamentary arena in which they can advance their demands.

Note

- 1 Two European Commission officials, two diplomats from the German and Belgium EU permanent representations, four MEPs, six EP policy advisors and assistants, nine car industry representatives, two SME representatives, and two representatives of environmental organisations.

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