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The Development of Energy and Climate Policy in the EU and CEE

1.1 INTRODUCTION

Central to this monograph is the examination of the interlinkage and trade-offs between climate and energy policy, as two main components of energy transitions,[1] with a focus on Central and Eastern Europe (CEE). This chapter provides a general overview of the development within this region and at the EU level,[2] introducing the interplay between these policies at both levels. As energy and climate policies are crucial for the transition towards a decarbonised economy, and the stated objective of the EU and its member states, this contextual chapter paves the way for further analysis in the book. It introduces empirical data and trends and provides a general overview of both contemporary developments and the historical context. In examining the key energy and climate challenges, the chapter outlines regional and broader EU objectives, policies developed to achieve these, as well as trends that illustrate the extent of progress towards these objectives, and explains this development with reference to the primary drivers and obstacles. The context to the EU's positioning as an international climate actor (Godzimirski, 2016; von Lucke, 2021) is briefly examined (Chapter 7 focuses on this), along with the emergence of energy security as an EU priority (Szulecki, 2018b) that CEE countries have contributed to. Energy security was re-prioritised by the EU following the Russian full-scale invasion of Ukraine in 2022 (Mišík, 2022); however, for the CEE countries energy policy had generally a priority for more than a decade. Climate change, on the other hand, has been of lower priority for CEE countries, and some – although not all – have opposed the EU's climate ambitions (Brauers and Oei, 2020).

The process of energy transitions within the CEE region follows, and is connected to, the major political and economic transitions since the end of the 1980s

[1] We use plural to underline our multiple countries approach and stress the argument that there is heterogeneity here in terms of the form and pace of the transitions within the CEE region.

[2] We use EU to also refer to the European Community, its identity until 1992.

https://doi.org/10.1017/9781108755672.003 Published online by Cambridge University Press

(Gros and Steinherr, 2004; Ürge-Vorsatz et al., 2006). We discuss the impact of these rapid and significant industrial and political changes on the economy and the environment within the region, considering the political, economic, societal and infrastructural legacies of the socialist period. The region is characterised by significant reductions in carbon emissions and improvements in energy efficiency since the 1990s (Mišík and Oravcová, 2021b). Whilst there is a political dimension to this, with environmental movements an important part of the anti-communist opposition (Fagan, 2004; Szulecka and Szulecki, 2022), uncompetitive industries lost state support and subsidies and struggled to survive when exposed to greater competition, resulting in a marked reduction in industrial production. Decreasing carbon emissions was a silver lining of this process that resulted in economic slowdown, increased unemployment and other negative social consequences.

During the 1990s the European Commission (hereafter the Commission) prioritised environmental issues in the region (Mišík, 2015) as the level of environmental protection was very low due to four decades of communist regimes that saw nature as a source of wealth. Other Commission priorities during this period included energy market liberalisation and ensuring that incoming members had fully adopted the EU's environmental and energy legislation (*acquis communautaire*). The Commission concentrated on the capacity and political will of candidate countries to transpose existing Community rules into their legal systems; the preferences of these countries were not prioritised (Tosun, 2011). Therefore, energy security was hardly discussed during the process of accession, although several CEE countries considered the issue to be a priority. In general, accession negotiations were characterised by the asymmetrical position of the candidate countries vis-à-vis the EU. The prospect of EU membership was so significant, and the EU's conditionality so inflexible, that EU rules were implemented despite the often serious adaptational pressure on the CEE countries, and the associated costs of accession (Haughton, 2007).

After CEE countries joined the EU in three phases (2004, 2007 and 2013), they were formally able to upload their own preferences on energy issues at the EU level. However, these new EU members were initially limited in both their will and capacity to shape (energy) policy. At first they tended to be followers rather than leaders in developing policies, and when they started to pursue their own priorities they were often criticised for following neither formal nor informal 'rules of the game' regarding negotiation styles or decision-making (Copsey and Pomorska, 2014; Roth, 2011). Only in time were they fully socialised into the EU and its mechanisms, allowing them to shape policy development more effectively. The 2006 and 2009 gas supply disruptions acted as focusing events within the EU, highlighting the security of supply concerns that dominated the energy policy preferences of many of the new member states, and spurring the EU institutions to focus on addressing energy security issues, with the energy crisis that emerged in 2021 having a similar though more dramatic effect (Kuzemko et al., 2022; Osička and Černoch, 2022;

Rodríguez-Fernández et al., 2020). Several years into their membership the CEE member states, often with the support of the Commission,[3] also became more active in energy security policy, supporting EU proposals to diversify energy supply, develop solidarity mechanisms and increase funding for energy infrastructure projects (Jonek-Kowalska, 2022; Mata Pérez et al., 2019; Prontera and Plenta, 2020).

Climate policy increased in importance once the EU became a contractual party to the 1997 Kyoto protocol (Skjærseth and Wettestad, 2008), but it was not a priority for the CEE countries. However, post-accession these states began to develop administrative capacity and expertise, to channel political will into a more focused set of policy areas and to shape EU climate policy-making (Bocquillon and Maltby, 2017). In the aftermath of the 2008 financial crisis EU climate policy development to an extent reflected, or at least accommodated, the interests of the CEE region. During this period the EU's climate ambition decreased, influenced by CEE countries (Ćetković and Buzogány, 2019). Climate policy was reprioritised with the adoption of the 2015 Energy Union initiative (European Commission, 2015a) and the 2019 European Green Deal as a response to the EU's Paris Agreement commitments (European Commission, 2021b). Post-pandemic, the EU is attempting to balance the objective of a sustainable and green recovery driven in part by renewables, with a short-term emphasis on security of supply through non-Russian fossil fuels that runs counter to this.

This chapter provides support particularly for the first main argument of this book, that energy security is generally prioritised over climate change in CEE. Post accession, these countries started to vocally support the former while opposing development of ambitious climate goals. This brings us to the second argument presented within this book: CEE is not a homogenous region; the individual countries differ in their positions on the two interrelated policy fields; and the political economy of their climate and energy polices also differs. The chapter identifies the main differences between CEE countries, providing a starting point for further discussion in later chapters. It is important here to stress that this heterogeneity also applied to energy security prior to 2022; countries in the region identified threats and solutions differently, including their relations with Russia and whether they perceive the resource-rich country as a guarantor of or threat to their security. This has changed significantly after the Russian invasion of Ukraine in 2022; however, there remain key differences. For example, Hungary signed a new long-term gas deal with Gazprom in September 2021, is developing a nuclear power plant through Rosatom, and has opposed stronger sanctions (Barigazzi and Kijewski, 2022; Rankin, 2022). Rather than a regional bloc, CEE countries have also often acted alone on energy issues (particularly Poland, and Hungary in the 2020s), through ad hoc groupings and in more stable groups like the Visegrad

[3] Where their preferences and objectives align on issues such as the objective of diversification of energy supplies, including away from import dependence on Russia.

https://doi.org/10.1017/9781108755672.003 Published online by Cambridge University Press

Group – Czechia, Hungary, Poland and Slovakia – or as a group of Baltic States – Estonia, Latvia, Lithuania.

This chapter proceeds with a historical overview of the EU's activities in both energy policy and environmental and climate policy. Although there is a difference between environmental and climate policy, the latter is based on the former and they both have played an important role not only in the accession process of CEE countries to the EU, but also during their membership. The following section presents a broad picture of climate and energy policies, outlining the policy frameworks within which member states from CEE operate. The section highlights the links between climate and energy policy and the development of energy transitions within the EU and beyond. It argues that energy security was a relatively marginal issue for the EU until the 2000s. It also introduces the efforts of the EU to bring its climate goals to the international level, situating the EU as a global climate actor (Minas and Ntousas, 2018; Wunderlich, 2020). Since 2022 the EU's decarbonisation efforts have increasingly been viewed not only through the climate lens, but also as a way to strengthen the EU's energy security by expanding domestic renewable sources of energy.

The third section of this chapter introduces the EU's climate and energy goals, including those set for 2020, 2030 and 2050, and examines how these targets have developed as well as the EU's progress towards achieving them. The fourth section focuses on the CEE countries and outlines their energy transitions, considering climate and energy policy and key changes since they embarked on a path of democratisation and the transition towards liberal market economies. It introduces the historical legacies that continue to influence significantly CEE countries' climate and energy policies and their particular interest in energy security. This section also discusses the impact of EU membership on these policies.

1.2 THE DEVELOPMENT OF THE EU'S CLIMATE AND ENERGY POLICY

Whilst energy security became a priority for the EU in the second half of the 2000s and again in 2022, it had been on the agenda since the EU's foundation. As early as 1951 the European Coal and Steel Community (ECSC) set out the concept of 'Security of Supply' in Community law and presented it as a main objective. In 1957 the European Atomic Energy Community (EURATOM) Treaty led to community policy in the field of nuclear energy, and the potential for central intervention to 'ensure that all users in the Community receive a regular and equitable supply' (Euratom, 1957, para. 57). These two developments provided an early example of 'energy policy tools based on exclusive supranational powers vested in a central authority' (Andoura et al., 2010, p. 2). These were followed by claims by the member states that security of supply was an aim to be achieved through diversification of supplies and decreased import dependence (Council of the EU, 1964). Whilst the

Commission argued that a Community energy policy was necessary (European Commission, 1968), this did not prove persuasive, and energy policy remained in the hands of member states until the late 1990s.

The 1973 'oil crisis' highlighted concerns about the EU's vulnerability to interruptions of the energy supply. The EU already had in place rules concerning emergency stockpiling of crude oil when the crisis broke out; these were further strengthened as a result of the embargo on the United Kingdom and the Netherlands, with strategic oil stockpiles increased to cover longer supply interruptions (McGowan, 2011). However, despite repeated concerns being raised by the Commission about energy security, member states resisted transferring their sovereignty in this area to supranational institutions. Instead, they focused on individual solutions that varied between countries, including indigenous nuclear energy in France, and North Sea oil and gas in the Netherlands and the United Kingdom (Kirchner and Berk, 2010, p. 869). There was little further energy policy development until the Single European Act came into force in 1987 with an objective of an internal market, including in energy (Matláry, 1997). The 1990s saw the development of a nascent energy liberalisation process with the First Energy Package, containing liberalisation directives for electricity (1996) and gas (1998) (Brutschin, 2015). However, the focus was on the internal energy market and market liberalisation, with only limited attention paid to addressing the issue of security of energy supplies.

Emerging energy security concerns were based on the realisation that energy supplies could be disrupted for political reasons, and the concern that the world was approaching an era of 'peak oil' in which supply would enter a terminal decline and be unable to match (ever) growing demand. Orttung and Perovic (2012) highlighted that US oil production peaked in 1970 and then declined steadily until 2008,[4] supporting Hubbert's 1956 peak oil argument (Hubbert, 1956). The former head of the US Department of Energy James Schlesinger concluded in 2005 that there were a number of political and economic problems linked to the 'finite limit to conventional oil [and] the long-term, fundamental problem of oil supply' (cited in Energy Bulletin, 2005).

Realist scholars (such as Klare, 2009) and many governments assumed that there was a resultant risk of competition for access and control of energy resources from unreliable sources or transit routes (Dannreuther, 2013). For example, Russia's 2009 National Security Strategy claimed that 'international policy for the long term will focus on the possession of energy sources' and that 'under the conditions of competition for resources [it] cannot be excluded resolving problems by military force' (Russian Government, 2009). In the United States, President George W. Bush used his 2006 State of the Union Address to argue that 'America is addicted to oil which is often imported from unstable parts of the world' (Bush, 2006), a sentiment repeated

[4] Though between 2008 and 2015 US oil production almost doubled (EIA, 2018).

three years later by President Barack Obama, who stated that 'America's dependence on oil is one of the most serious threats that our nation has faced' (Obama, 2009). The dangers of depending on oil imports were highlighted by President Joe Biden following the Russian invasion of Ukraine; in his 2022 State of the Union Address he asked domestic oil companies to invest more in domestic production (Biden, 2023).

The development of environmental policy within the EU can be traced back to the 1970s (Skjærseth et al., 2016). In 1972 the EU, plus the United Kingdom, Ireland and Denmark, then non-members, agreed at the Stockholm UN conference on the Human Environment that economic growth should be considered alongside environmental protection. This can be considered a turning point for the EU's approach towards the environment and the nascent development of its environmental policy dimension. Progress was slow, however. There was no further development during the 1970s and first half of the 1980s. Climate policy was first explicitly addressed by the Commission in 1985, and by the European Parliament in 1986 (Skjærseth et al., 2016). The 1986 Single European Act enshrined environmental protection within the EU's legal basis with the aim 'to preserve, protect and improve the quality of the environment, to contribute towards protecting human health, and to ensure a prudent and rational utilization of natural resources' (European Community, 1986). The EU was involved in the 1987 Montreal Protocol, a global convention on the ozone layer. This successfully negotiated a ban on chlorofluorocarbon production, which was directly linked to holes in the ozone layer.

The EU has also focused on embedding the concept of sustainable development within EU domestic and foreign policies. One example is in fishing policy, where there has been a significant shift away from the exploitation of fishing stocks to their sustainable management within the EU fishing industry, as well as highlighting a 'global commons' in the policy area at the international level, and promoting the concept through development aid and conditionality in trade agreements with third countries (Vogler, 2017). However, early attempts in the 1980s to establish a climate and energy package failed – with little progress on developing synergies between the policies or addressing the distributional challenges associated with the objective (Skjærseth, 2016).

The 1990s: Energy Liberalisation and the Initial Development of Climate Policy

In 1995, the EU set out three key objectives for energy policy – economic competitiveness, security of energy supply and environmental protection (European Commission, 1995) – yet the focus was primarily on the internal energy market at this stage. The first energy market liberalisation directives (the so-called first energy package) established rules for electricity and natural gas in order to facilitate the development of the internal energy market, and were adopted in 1996 and 1998, respectively (Herweg, 2017). The objective was to introduce meaningful competition

in gas and electricity markets, as the tendency was for these to be characterised until the 1990s and beyond by the dominance of vertically integrated state-owned energy companies with monopolistic positions in the market, combining all activities – production, transition and distribution of energy to end customers. By 'unbundling' these different activities and breaking up vertically integrated energy companies, the aim was to foster the creation of a competitive market environment, with lower prices for consumers.

The first set of directives was a result of a compromise between the Commission, which was pursuing a strong liberal agenda aiming to dismantle monopolistic, vertically integrated energy companies and open the energy market to competition, and, on the other hand, member states striving to protect their national champions, often (partly) owned by governments. The results of the first round of liberalisation were, from the Commission's perspective, less than satisfactory as member states managed to protect the interests of their own energy sectors rather than the interests of customers. The slow pace of liberalisation during the 1990s and only limited impact of the first set of liberalisation rules on the electricity and natural gas markets led the Commission to propose the second and third energy packages that were adopted in 2003/2004 (electricity and gas) and in 2009 (both sectors) (Batzella, 2018).

With regard to climate policy, the EU was highly influential during the 1990s in moving the Kyoto Protocol from an outline to an implemented global governance regime (Groenleer and Van Schaik, 2007): a widely accepted leadership position was established, in the absence of a proactive United States, and as a major current and historical carbon emitter and economic power (Vogler, 2017). The 1992 Earth Summit in Rio established the international principle of 'common but differentiated responsibilities', whereby economically developed states would take the lead in combatting climate change (UN, 1992). Chapter 7 discusses the global context and the EU's leadership efforts at the international level in more detail.

Whilst the EU is constituted solely of advanced liberal economies, the 'common but differentiated' principle also applies here – forming an integral part of the Burden Sharing Agreement within the EU's application of the Kyoto Protocol and its Emissions Trading System (ETS). The ETS was adopted by the EU in 2003 as a market-based policy to address climate change, a global first based on capping and trading carbon emissions (Skjærseth and Wettestad, 2010). The EU is constituted of those with strikingly different capacities to implement climate policies, not to mention divergent historical responsibilities for the problem (Wang and Paavola, 2023). The EU's implementation of the Kyoto Protocol set out that 'cohesion' states within the EU were permitted to continue to increase emissions, balanced by major emitters such as the United Kingdom and Germany offering major reductions. This is a central issue in contemporary EU climate and energy policy, as CEE countries continue to lobby for allowances (and other types of concessions) to expand their emissions or limit their reduction as part of 'catching up' economically with the rest

of the EU. The book analyses these issues more closely in Chapters 3 and 6, examining the growing influence of CEE countries on EU climate and energy policy.

The 2000s: Energy Security and Climate Policy, and the Trade-Offs between Them

The 2000s saw a dramatic change in approach by the EU towards energy policy issues, with the establishment of energy security as one of its main strategic objectives, with policies, legislation and financial support targeted at addressing this. Until this point divergent member state energy mixes and complacency regarding energy import dependency were key obstacles to the development of a coherent energy security policy. This change was triggered by a combination of rising energy prices, decreasing domestic production and the eastern enlargements that coincided with the gas supply disruptions of 2006 and 2009. For example, although energy dependence was a 'special concern' for the EU as the largest world importer of gas and oil in 2003, it was not considered one of five 'key threats' (European Council, 2003, p. 14).

Energy security evolved into a major issue later in the decade at first due to an increase in energy prices. For example, the price of oil quintupled between 2000 and 2008, while the price of gas increased by a factor of 3.5 (European Commission, 2011a). Energy prices became a serious issue of concern, particularly given forecasts that they would steadily increase from the mid-2010s to 2050 (European Commission, 2011a); oil was predicted to increase in price by 50%, and gas prices were expected to double, leaving them six and five times higher, respectively, than in 2000. Whilst oil and gas prices dropped significantly in the wake of the 2008 financial crisis, the price of energy remained on the EU agenda. Although not an issue restricted to CEE, a 2015 EU study by the Commission concluded that for most CEE countries, energy poverty affected approximately 20% of households, compared with just over 5% of older member states (European Commission, 2015b), and in January 2018 the EU launched an Energy Poverty Observatory to address the more than 50 million households struggling to 'attain adequate warmth [and] pay their utility bills on time' (European Commission, 2018a).

Security of supply concerns also increased, particularly during the second half of 2000s. The EU experienced disruptions of Russian gas supplies in 2006 and 2009 as a result of contractual disputes between Russia and Ukraine, a key transit state for European gas (Stulberg, 2015). Moreover, there were concerns about the depletion of energy sources within the EU, and the rise of new major global energy consumers like China and India, with competition for finite energy resources on the market. As a result, energy security became established on the EU agenda, and strategies were developed to diversify energy supplies and address rising prices, particularly in the 2010s.

During the 2000s climate and energy policies were seen to be in part synergistic and in part requiring trade-offs between each, though often the tendency was to perceive them as, adversarial rather than mutually reinforcing dimensions of energy policy (Correljé and van der Linde, 2006; Kruyt et al., 2009). The 2007 Energy Policy for Europe (European Commission, 2007) established that the main objectives were those of competitiveness, sustainability and security of supply. These goals thus did not differ from those set by the EU a decade earlier. The security element was to be achieved through reducing dependence on imported fuels and ensuring reliable energy supplies at reasonable prices. Meeting the objectives of reliability of supplies and reduced import dependency was seen to require an improvement in both the internal and external dimensions of energy security (European Commission, 2007). The internal element related to developing an interconnected, single internal energy market that could mitigate any supply disruptions by facilitating the sharing of resources within the EU and driving down prices through greater competition, with energy-efficiency improvements and increased use of renewables reducing demand for imported energy. The external dimension of energy security was to be improved through diversified sources of supply and supply routes, and also developing the capacity and legal mandate for the EU to negotiate with a 'single voice' with supply countries (European Commission, 2006). Climate and energy policies were still to a large extent developed in isolation, though both within the EU's Directorate Generals (for example, DG Transport and Energy and DG Environment) and within national ministries (Skjærseth et al., 2016).

The EU began to focus on bringing both policies together, focusing on the interlinkages between them, and the EU's 2008 Climate and Energy package set energy efficiency, renewable energy and emission reduction goals for 2020 – the so called 20-20-20 package (Council of the EU, 2008). Despite being EU members for several years, CEE states had little influence on these objectives, in large part because there was a high degree of consensus within the EU for ambitious climate action and international climate diplomacy. The mandate for the 2009 UN Copenhagen Climate change conference was also not shaped significantly by the newer member states. The EU's international leadership was called into question as it was seen as failing to achieve the stated objective of an agreement to succeed the Kyoto Protocol, with the bloc sidelined by the US and China (Parker and Karlsson, 2018; Wunderlich, 2020).

The 2010s and Beginning of the 2020s: A Growing Convergence of Climate and Energy Policy and Crises Responses

Since the 2006 and 2009 gas supply disruptions, CEE countries focused increasingly on energy security policy. Due to the decrease of domestic energy production,[5]

[5] Denmark was the only net exporter of energy until 2013, when it became a net importer.

https://doi.org/10.1017/9781108755672.003 Published online by Cambridge University Press

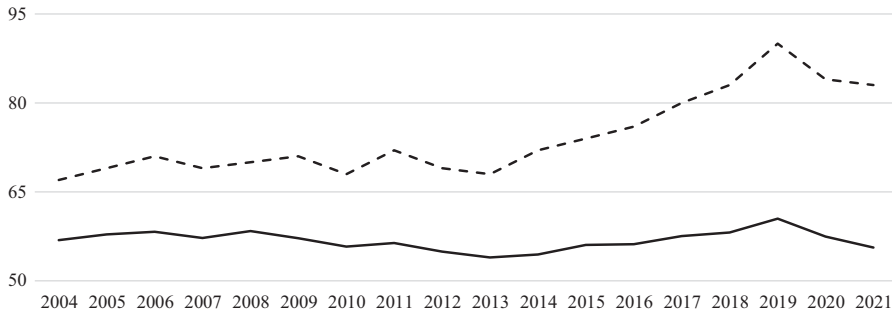

FIGURE 1.1 EU energy import dependency overall (solid line) and natural gas (dashed line).
Source: Eurostat (2023a)

the EU's energy import dependency rose from 57% in 2000. Whilst the financial crisis reduced import dependency for a period, after 2013 it steadily increased, to 61% in 2019 (Figure 1.1; Eurostat, 2023a). For natural gas the increase was more pronounced, with almost 65% of total consumption imported in 2000 and almost 90% in 2019, followed by a pandemic-related decrease (Eurostat, 2023a). The EU's eastern enlargement exacerbated security of supply concerns, with CEE member states disproportionality dependent on gas imports, with an average in 2021 of 82% (Eurostat, 2023a). Whilst the EU imported 45% of its gas from Russia in 2021, many CEE states were completely or largely dependent on Russian gas.

Although the EU imports energy from several countries, Russia was until 2022 the main supplier of crude oil, natural gas and coal (Eurostat, 2023a). Disputes between Russia and transit countries, in particular, Ukraine, have disrupted gas supplies to the EU in 2006 and 2009 (McGowan, 2011) and threatened to do so again during the 2010s (the situation was especially critical during the winter of 2014/2015; Stulberg, 2015). A concern for the EU and particularly CEE states has been the availability and reliability of supplies, and also the reasonableness of prices during the 2000s and 2010s. CEE countries have tended to pay more for Russian gas – their primary, if not only source – than countries in Western Europe despite closer proximity to the source and the assumed lower transportation costs. Lithuania, for example, had the highest prices of natural gas within the EU until 2014, and the situation changed only when an alternative source became available through a newly constructed LNG terminal in the country (Mišík and Prachárová, 2016). As Figure 1.2 shows, there were monopoly suppliers of gas in a number of CEE countries in 2005 – Estonia, Lithuania, Latvia and Slovakia (European Commission, 2023a). Whilst increased competition improved the situation for Lithuania and Slovenia, Estonia remained completely dependent on Russia for gas in 2020, and Czechia, Hungary, Latvia and Slovakia became fully dependent by that point.

https://doi.org/10.1017/9781108755672.003 Published online by Cambridge University Press

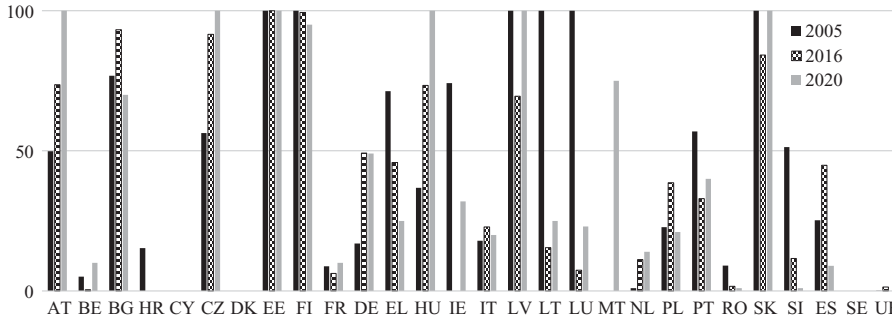

FIGURE 1.2 Supplier concentration index. Note: Non-European Economic Area sources, natural gas, in per cent; data for IE in 2016 and UK in 2020 not available. AT, Austria; BE, Belgium; BG, Bulgaria; CY, Cyprus; CZ, Czechia; DE, Germany; DK, Denmark; EE, Estonia; EL, Greece; ES, Spain; FI, Finland; FR, France; HR, Croatia; HU, Hungary; IE, Ireland; IT, Italy; LT, Lithuania; LU, Luxembourg; LV, Latvia; MT, Malta; NL, Netherlands; PL, Poland; PT, Portugal; RO, Romania; SE, Sweden; SI, Slovenia; SK, Slovakia; UK, United Kingdom.
Source: European Commission (2023a)

The EU's dependency on external energy sources increased as domestic production has declined. From 2010 to 2020, domestic production of natural gas experienced a sharp decrease of 62%, crude oil by 35% and coal by 43% (see Chapters 3 and 4 on the EU's coal phase-out). The only energy source that recorded a significant rise in domestic production was renewables, with an increase of 53% during the ten-year period (Eurostat, 2023b). Therefore, despite increased energy efficiency and utilisation of renewable energy sources, the EU's energy import dependency changed only minimally in the period between CEE countries becoming members (see Figure 1.1). The only significant change can be observed in 2020 and 2021, connected to the temporary decrease of energy consumption caused by the Covid-19 pandemic.

In 2013 the Commission continued to stress the EU's vulnerability because of 'the reliance on imported and insufficiently diversified energy sources, the political instability of several energy-producing and transit countries, [and] global competition over energy sources' (European Commission, 2013a, p. 5). In 2014, the Commission's 'In Depth Study on European Energy Security' highlighted the 'challenge' and increased 'risks to security of supply' that accompanied the EU's increasing dependency on gas imports, and noted that this was particularly the case for CEE states with concentrated imported gas supplies (see Figure 1.2, European Commission, 2014a). The risk, first, was that a disruption of supplies could not be mitigated by reserves or supplies from neighbouring countries – particularly for Bulgaria, Romania and Hungary (and Greece). The Baltic States, Croatia, Slovakia, Slovenia and Poland were also considered to be exposed to potential

disruptions (European Commission, 2014a, p. 9). Another problem was that isolated markets with monopoly gas suppliers would have less leverage in gas contract negotiations with suppliers and would pay more for gas than competitive markets in the west of Europe.

In Chapters 3 and 6 this book explores the role of CEE member states in shaping the EU's responses and its strategic goals, including specific measures to address energy security concerns: a 2014 energy security strategy and further legislative proposals after 2016 on security of supply and agreements with third countries. The EU increasingly discussed the mutually reinforcing dimensions of increasing climate, security of supply and prices, through increasing reliance on renewables to reduce the huge cost of energy imports (European Commission, 2018d).

As noted earlier, the EU developed a set of domestic climate-related targets since the 2000s and was active in international climate diplomacy, using domestic policy implementation to claim legitimacy and expertise and to project itself as a leader by example (Kilian and Elgström, 2010; Wunderlich, 2020), considered in Chapter 7. However, the late 2000s financial crisis exacerbated divisions within the EU, and globally, between those actors that framed climate policy as an opportunity for green growth, an ecological modernisation framing of the policy solutions, and those that argued that climate policy hindered economic development. The Commission used the former frame, arguing that the transition to a low-carbon society was both feasible and affordable (European Commission, 2011b). The required investment in technology and infrastructure was considered to be more than offset by job creation, technology export and reduction in dependence on imported oil and gas. The EU's 2021 Covid recovery instrument was framed similarly when it argued that '[t]he green transition … contributes to the Union's climate targets, fostering sustainable growth, creating jobs and preserving energy security' (European Parliament and the Council, 2021a).

Others view addressing climate change as something that comes with significant costs, and represents a trade-off – undermining economic growth, and for at least some states in CEE undermining the opportunity to catch up with Western EU levels of economic development by penalising their industries, including their energy sectors. For example, in 2014, Ewa Kopacz, the Polish prime minister, stated, 'I realise how important environmental concerns are … but my government will not accept increases in the costs of energy in Poland and the impacts to the economy' (cited in Foy, 2014). This book explores the extent of these divisions between CEE states, but also within them – it is not uncommon for environmental ministries to propose significantly divergent policies and levels of ambition to economic and financial ministries, something also reflected at the EU level (Skovgaard, 2014). These frames are also dynamic, over time and between and within states.

Since 2010, countries in CEE have also become more active and influential in shaping EU climate policy (see also Chapter 6). The Polish government, for example, vetoed the Commission's initial 2011 Energy Roadmap for 2050

(Wettestad, 2014) and Council conclusions on the 'Low Carbon Roadmap for 2050' twice in 2012 (euractiv, 2012), and joined another three CEE countries in vetoing the 2050 decarbonisation goal at the June 2019 European Council (European Council, 2019b). Poland did not commit to implementation of the 2050 goal finally agreed upon by the other member states in December 2019 (European Council, 2019a). During the second half of the 2010s the Commission launched several important initiatives. The Energy Union of 2015 further interlinked climate and energy policy and was a key priority for the Juncker Commission. A 2019 'Clean Energy Package' updated climate targets, and within this a Governance Regulation (2018/1999) required member states to develop integrated national energy and climate plans. These included a role for the Commission in monitoring and reviewing these plans for alignment with the EU's collective goals (Crnčec et al., 2023; Mišík and Oravcová, 2022).

The European Green Deal of 2019 focused on climate issues, with energy security challenges in the background (European Commission, 2019a; Panarello and Gatto, 2023). However, the Covid-19 pandemic brought to the fore a dilemma that had parallels with the economic crisis a decade before: whether to fuel the post-pandemic economic recovery by supporting development of renewable sources of energy or to restart the economy with the help of fossil fuels (Kuzemko et al., 2020). This dilemma continued post 2022; however, here the division line did not follow the West/CEE logic – several members from the western part of the EU opted to include coal (most significantly, Germany; *Financial Times*, 2022; Geiger, 2023), as did Czechia. However, Poland's coal use was stable, and Slovakia did not change its coal phase-out 2023 deadline. Simultaneously, the EU has promoted a green recovery, including making access to post-pandemic funding in the €720 billion Recovery and Resilience Facility conditional on spending 37% on climate initiatives (Crnčec et al., 2023). The EU's 2030 climate and energy targets have been repeatedly revised upwards, following the successful achievement of the 2020 targets. The 2022 REPowerEU plan linked rapidly phasing out Russian fossil fuel imports with increased ambition for 2030 renewables and energy efficiency targets.

Internationally, the EU's focus was on exporting norms of sustainable development, particularly in developing countries. The EU used the Cartagena Dialogue for Progressive Action, begun in 2010, to develop partnerships and shared interests with those from developed and developing countries, building on its long-established objective, as a mediator of interests between the two and leveraging its trade and development policies particularly with African, Caribbean and Pacific countries (Vogler, 2017). Whilst its international climate leadership was questioned in the late 2000s, following the perceived failure of the 2009 Copenhagen conference (Parker et al., 2017), the EU re-established an influential co-leadership role that shaped a Paris Agreement which significantly reflected its interests (Wunderlich, 2020). These included mitigation and adaptation commitments – the latter with promises of redistribution of funds to assist developing countries with the effects of already occurring climate change. It also played a key role in the formation of a

'high-ambition coalition' of states pushing beyond the globally agreed objective. Oberthür (2016) described the EU's new role in international climate change politics as a 'leadiator', proactive in bridge and coalition building, in both multilateral fora and bilateral negotiations. Leadership ambitions in the policy area continue, in negotiations to implement the Paris Agreement since 2015, closely linked to a form of exemplary leadership through maintaining the implementation of ambitious domestic climate targets (Oberthür and Dupont, 2021).

1.3 THE EU'S PROGRESS TOWARDS ITS CLIMATE AND ENERGY POLICY GOALS

The EU's 2008 Climate and Energy Framework set three main targets for 2020 connected to climate and energy policy: a 20% share of renewables in community's energy mix, a 20% reduction of greenhouse gases emission compared with 1990 and a 20% increase in energy efficiency (European Council, 2008). In 2011, the Commission used an 'energy roadmap' to set a long-term decarbonisation objective of reducing emissions by 80–95% by 2050, including 'almost totally' decarbonising the power sector through the use of renewable and nuclear energy (European Commission, 2011a). The EU's renewables constituted 8.5% of its energy mix in 2004, but by 2020 had almost tripled to 22%, beating its 2020 target (Figure 1.3), and compared with a global share of 5.1% (IEA, 2022c). As with emission reduction targets, the collective 20% renewable target comprised of burden sharing between states, targets based on their capacity and starting points. Energy transitions in the region have proceeded at very different paces.

Latvia and Croatia started in 2004 from a position where the use of renewable energy was already high (at 33% and 24%, respectively), and Romania, Slovenia and Estonia also had substantial renewables pre-accession (16–18%). For these countries hydropower has played a major role in their energy systems since the 1970s. In contrast, others started from a low base: Hungary, Poland, Slovakia and

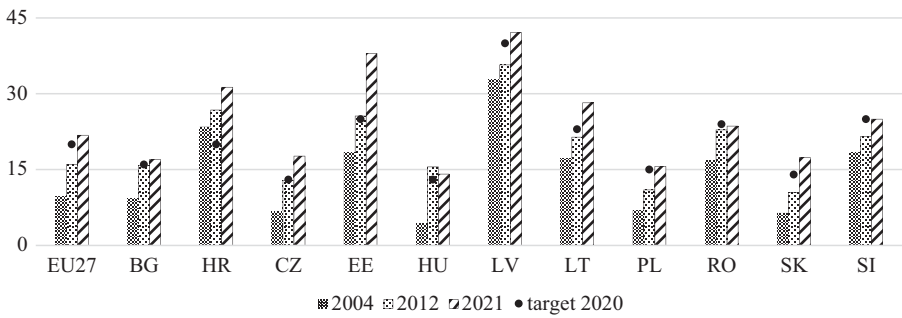

FIGURE 1.3 Share of renewable energy in gross final energy consumption, in per cent. *Source*: Eurostat (2023c)

https://doi.org/10.1017/9781108755672.003 Published online by Cambridge University Press

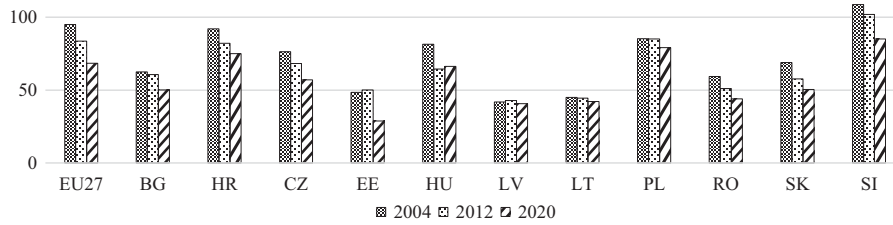

FIGURE 1.4 Greenhouse gas emissions reductions since 1990, in per cent.
Source: Eurostat (2023d)

Czechia all had less than 7% in 2004 (Hungary with just 4.4%). As a result of this and the technical and economic capacity to develop renewables, the EU set targets in the region ranging from 13% for Hungary and Czechia to 40% for Latvia. Moreover, the transition towards decarbonised energy production has varied substantially within CEE. Bulgaria, Slovakia and Czechia almost doubled their share of renewables in the energy mix between 2004 and 2012, and Hungary even tripled theirs (Eurostat, 2023c; see Figure 1.3). The energy transitions challenges are significant, demonstrated by the fact that Poland, Latvia, Cyprus, Slovenia, Slovakia and Czechia all experienced a decrease in their renewables share between 2015 and 2016.

Although all CEE members reached their renewable goals in 2020, most visibly in the overperformance of Estonia, Croatia and Lithuania, Romania decreased its share below the target in 2021. A focus of the later chapters is in explaining these energy transitions, which have been driven by different government incentives, different constellations of public and private actors, and the promotion of different renewable energy technologies. The EU also exceeded its emissions reduction target of 20%, reaching 32% by 2020 (see Figure 1.4). Whilst all CEE countries reduced emissions, the pace of reduction varied significantly – Latvia's, Lithuania's and Poland's emission reductions were far less than other member states in the region between 2004 and 2020. However, a European Court of Auditors report in 2017 stated that emissions reduction targets for 2030 and 2050 'will not be achieved without significant additional efforts' (ECA, 2017), concluding that further measures were required to set a pathway to the 2050 target. A 2030 framework was agreed in 2014 (European Council, 2014), moving to targets of 27% for renewables,[6] a 40% emissions reduction and a 27% increase in energy efficiency (see also Chapter 3).

1.4 AN INTRODUCTION TO ENERGY TRANSITIONS IN CEE

This chapter now shifts its focus to CEE countries that joined the EU during three rounds of so-called eastern enlargement (2004, 2007 and 2013).[7] Here we introduce

[6] The share of renewable energy in gross final energy consumption.
[7] Bulgaria, Croatia, Czechia, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

https://doi.org/10.1017/9781108755672.003 Published online by Cambridge University Press

an analysis of the influence of post-socialist transitions on CEE countries, their political systems and economies and the link with their energy transitions. This section introduces the CEE countries' energy security preferences relative to those on climate change, providing preliminary support for the main arguments of the book. During the 1990s most climate policy issues within the region were connected to environmental policy, an important part of the accession process. Energy security was, on the other hand, not present in the accession talks, and the energy chapter of the negotiations concentrated on internal energy market rules. Although CEE countries tried to pursue their energy security preferences after they became EU members, it was the 2006 and especially the 2009 gas supply disruptions that provided windows of opportunity for them to upload these preferences to the EU level. The year 2022 highlighted energy security issues within the EU and especially in the CEE region that – despite energy infrastructure diversification efforts over the previous fifteen years – remained significantly dependent on Russian energy supplies.

Political and Economic Transitions of Central and Eastern Europe

The countries of CEE underwent crucial political and economic change from the end of the 1980s (Pickles and Smith, 1998). The end of communist rule and establishment of democratic regimes in CEE were part of the 'third wave' of democratisation that spread throughout the world since 1970s and meant a significant increase in the number of democratic states worldwide (Huntington, 1993). Two main transformations took place in this period – economic and political – and EU membership aspirations were a significant factor in the paradigmatic changes to political institutions, rules, norms and the characteristics of both state-society and state–private sector relations (Haughton, 2007, p. 243).

Some CEE countries had previous experience of democracy (like Czechia and Slovakia from the inter-war period when they coexisted in a common state); others were part of the Soviet Union (the Baltic States) or Yugoslavia (Croatia, Slovenia) and gained independence at the beginning of the 1990s. This variety of historical legacies shaped the character of the political transition during the 1990s and beyond, and influenced CEE countries' economic transitions. The EU played a central role in the process of democratisation, and the CEE countries were united in the desire to become members. Accession was widely seen not only as a 'return to Europe' but as a symbol of return to normality and a firm rooting in the democratic world (Kopecký and Mudde, 2002; Sadurski, 2004).

Following the end of communism, the role of political institutions and limited civil society had to be completely redefined. While the former had to be revised to follow democratic standards (for example, free and fair elections, the separation of powers between the executive, legislature and judiciary), the latter had to be developed almost from scratch with a few exceptions such as the environmental movements that played a role in the independence movements (Podoba, 1998;

Szulecka and Szulecki, 2022). New rules governing the relationship between the government and the civil society had to be established. While the environmental movement was particularly strong at the end of the 1980s, it lost much of its transformational power at the beginning of 1990 as the economic transformation and its negative consequences became more prominent (Pavlínek and Pickles, 2000). The economic transition, as with the contemporary energy transition, proceeded at different speeds. Some countries, such as Czechia and Slovenia, were considered to be forerunners; others, such as Croatia and Slovakia, initially did not fulfil even the basic political criteria for starting accession negotiations (Fisher, 2006).

The economic transition was connected to EU membership. One of the Copenhagen criteria that created a framework for the accession process was a functioning market economy, able to cope with competition within the single market. The other two were the stability of institutions, and administrative and institutional capacity to cope with the EU membership obligations (Dimitrova 2002). Based on these three main criteria a set of thirty-one chapters[8] were developed, with specific requirements in individual sectors based on EU legislation. However, the accession process was criticised for lack of clarity (Schimmelfennig and Sedelmeier, 2005). There was a clear power asymmetry between the EU and the candidate countries as 'there was very little left open to negotiation beyond the odd temporary transitional arrangement' (Haughton, 2007, p. 235). The countries interested in accession had to assume a rather passive position and adopt legislation requested by the Commission. The transposition of EU legislation was a complex and difficult task, and the Union developed a system of 'carrots and sticks' to facilitate the process (Schimmelfennig, 2005). Countries that progressed with the negotiations according to the plan were rewarded with advice, financial support and the promise of membership, while those that diverged from it were punished by prolonging the process, with annual reports acting as a pressure – shaming or rewarding the candidates (Dinan, 2014).

The main economic challenge for the countries in the region was adaptation to market pressures and international competition – issues unknown to economies operating within the Council for Mutual Economic Assistance (COMECON), which was comprised of communist countries under the leadership of the Soviet Union. Due to this limited exposure to international competition, where the focus was on trade within the bloc and the export of raw materials, countries of the 'Eastern bloc' suffered from technological underdevelopment and dependence on Western technologies in several sectors, including energy – for example, equipment necessary for extraction of energy sources (Högselius, 2012). The emergence of a market economy and pressures connected to international competition thus presented significant challenges for CEE countries during the 1990s, and the ability of these countries to adapt to new economic conditions varied.

[8] Current enlargement negotiations consist of thirty-five chapters.

https://doi.org/10.1017/9781108755672.003 Published online by Cambridge University Press

For example, in Hungary the reforms were successful mostly because of an efficient administration and strong support by political elites, political parties and the public (Gros and Steinherr, 2004). However, this early success did not guarantee the continuous and linear development of economic and political institutions (Sedelmeier, 2005).[9] Due to the insufficient progress of several CEE countries in accession negotiations during the 1990s, the Luxembourg European Council of 1997 opened negotiations with only five candidates from the region (Czechia, Estonia, Hungary, Poland and Slovenia), while the other five (Bulgaria, Latvia, Lithuania, Romania and Slovakia) had to wait until the 1999 Helsinki Council to be officially invited to start accession negotiations. Despite this division, all candidates except for Bulgaria and Romania managed to conclude the negotiations by the end of 2002.[10] Accession treaties were signed in April 2003, and ten countries formally approved joining the EU by September of the same year (most by referendum). Consequently, eight countries from Central and Eastern Europe entered the EU on 1 May 2004 together with Malta and Cyprus. Bulgaria and Romania joined on 1 January 2007, and Croatia on 1 July 2013.

Energy and environmental issues were an important part of the pre-accession negotiations between CEE countries and the EU during the 1990s and early 2000s. However, the focus of these was not on energy security – a topic that interested these countries most – but on more technical issues connected to nuclear safety, transfer of environmental standards and adaptation of the EU rules (Mišík, 2015). Energy policy issues were part of chapter 14; environmental issues were included in chapter 22. Both topics overlapped with other issues that were dealt with during the accession negotiations, especially those connected to the internal market.

Environmental and Climate Policy in Central and Eastern Europe

Environmental issues were closely connected to the change of regimes within the CEE region as environmental groups constituted an important section of the anti-communism opposition (Pavlínek and Pickles, 2000). The environment during the socialist period was largely considered a source of resources rather than something to preserve and protect, and as Szulecka and Szulecki note, the political system at the time 'displayed a complete disregard towards the natural environment as a separate system (of beings and values)' (2017, p. 5). Environmental movements were

[9] While Hungary was a regional forerunner during the 1990s thanks to its liberal reforms and successful political as well as economic transition, the country since 2010 has experienced democratic backsliding with Prime Minister Viktor Orbán coining the term 'illiberal democracy' (Buzogány, 2017).

[10] Accession negotiations with these two candidate countries were formally concluded in December 2004; official membership negotiations with Croatia started in 2005 and ended in 2011. The start of the negotiations was postponed due to insufficient cooperation of the Croatian authorities with the International Criminal Tribunal for the Former Yugoslavia (Maldini and Pauković, 2015).

seemingly apolitical as they did not directly challenge communist regimes on ideological grounds, and therefore were tolerated by the totalitarian communist systems. However, these movements created an important foundation for developing societal groupings. As sites of critical questioning of policies, arenas of non-conformity were created (Szulecka and Szulecki, 2022). Environmental movements thus created an important foundation for the development of protest movements and a nascent civil society. These issues are analysed in detail in Chapter 5, which focuses on societal factors in the energy transitions of CEE.

Environmental policy problems in the region were often highlighted within Western Europe; however, as Carmin and Vandeveer (2004) point out, there were also positive practices within the region – for example, relatively high levels of recycling and low levels of automobile use – that were downplayed within the dominant discourse about the region's environmental status. The expectation that the CEE countries would became environmental leaders because of their strong position at the end of the 1980s did not, nevertheless, materialise, and these countries joined the 'followers' group when it comes to environmental and climate policy at the EU level (Carmin and Vandeveer, 2004). However, there was heterogeneity within the CEE countries' climate policy preferences – despite similarities when it comes to the 'big picture' concerning climate policy, there are differences between individual CEE countries that will be examined within the analytical Chapters (3–5) and in Chapter 6 focusing on these countries' impact on the EU.

The economic transitions were a significant factor with regard to environmental issues, as economic restructuring accounted for significant emission reductions (Mišík and Oravcová, 2021b). Heavy industries – technologically outdated, state-subsidised, inefficient and focused on support for the military machinery of the Warsaw Pact – were not able to cope with international competition, which led in many cases to their scaling down or closure. These energy-intensive industries were energy-inefficient – to produce one unit of GDP, these countries used 30–50% more energy than their counterparts in Western Europe (Kramer, 2004). A decline of heavy industries contributed to both economic recession and a decline in living standards, but also to environmental improvement within the region.

Political transformation also had a direct influence on environmental policy of the CEE countries. The decentralisation of political authority, an important part of the political transition, created new levels of authority at the sub-national level. Key environmental policy functions – like monitoring or licencing – were transferred in many CEE countries to this newly developed level (Carmin and Vandeveer, 2004). However, this suffered from instability and frequent changes to its design, which limited the capacity to address environmental issues, a problem exacerbated by the challenges of developing the role of civil society in politics. The early 1990s were also marked by an effort of international donors to support not only the development of democratic institutions and civil society within the region, but also environmental development.

The EU developed two pre-accession support funds that had environmental policy among their objectives. The Poland/Hungary for the Reconstruction of the Economy (PHARE) programme was originally focused on development of democratic institutions and economic transition; however, over time it significantly increased its environmental budget (within its twinning projects) and became an important driver of environmental reforms within the whole region. Projects focusing on the environment, conservation, water management and also energy efficiency counted at the end for 9% of the programme's budget (B&S Europe, 2015). The LIFE programme, 'the EU's financial instrument supporting environmental, nature conservation and climate action projects', was much more focused on the environment, and participation was opened to EU accession countries in 1999 (European Commission, 2023b). This was designed to help the accession countries to implement environmental legislation and to finance nature conservation.

CEE countries made considerable progress during the accession negotiations in environmental policy (Kramer, 2004). However, environmental policy suffered from a problem that was typical for the whole policy-making process connected to the EU's eastern enlargement – whilst compliance was very good at the formal level (even exceptional, see Börzel and Sedelmeier, 2017), CEE countries often failed to implement and enforce policy (Falkner and Treib, 2008).

Energy Security Policy

As with other sectors of CEE countries' economies, the energy sector also underwent a radical change during the transition period of the 1990s (Ürge-Vorsatz et al., 2006). Two main issues shaped the development of energy policy within the region: historical legacies causing high levels of energy dependency on Russian supplies and very low energy efficiency caused by focusing on heavy, energy-intensive industries. The close relationship between CEE countries and the Soviet Union during the communist period included the energy sector. Some of these countries were Soviet satellites (Poland, Czechoslovakia), while others (the Baltic States) were part of the Soviet Union, and some had a much looser relationship, such as part of the former Yugoslavia (Croatia, Slovenia). However, in most cases, major energy supply infrastructure had been developed during the 1960s and 1970s, supplying CEE countries and also providing a means to exert Soviet control (Högselius, 2012). For this reason, the infrastructure (both oil and natural gas) was one-directional, providing a direct link from the Soviet Union (in the east) to the CEE region and the EU to the west. As a consequence of such policies, the share of natural gas, supplied to a significant extent by Russia, in energy mixes of CEE countries remained relatively high (Ürge-Vorsatz et al., 2006). Limited mutual interconnectivity within the region as well as sparse connections to the rest of the Europe were some of the main reasons for the gas supply disruption that occurred in the second half of 2000s.

CEE countries started their political and economic transition at the beginning of the 1990s with high levels of dependency on Russian supplies.[11] However, those countries without significant domestic resources were sensitive to changes in supply patterns. Czechoslovakia decided at the very beginning of the 1990s to diversify its oil supplies by developing a new oil pipeline connecting the country to Western Europe, which was finished only after the break-up of the country in 1996. The pipeline supplied around 40% of oil demand and helped to prevent several potential energy crises caused by disrupted supplies via the Druzhba oil pipeline running through Ukraine and Belarus (Černoch et al., 2012). The situation in the Baltic States was even more difficult during this period. In the early 1990s the Soviet Union used the energy supplies as a means to prevent the Baltic States from breaking away from the Soviet Union and becoming independent states, and several energy supply disruptions were experienced as a result (Grigas, 2013a). Bouzarovski and Bassin (2011) have argued that there is a post-socialist energy legacy in CEE, reflecting a past Soviet and ongoing Russian objective to act as a 'hydrocarbon superpower', projecting political and economic power and influence through energy exports.

Although energy security was an important issue for CEE countries, not all paid the same level of attention to this issue. Slovakia, for example, was not initially active in diversifying its energy sources and was therefore one of the most severely affected by the 2009 gas supply disruption (together with Bulgaria). The country started to diversify only after the EU gave priority – and financial incentives – to this agenda. Such an approach is rather typical for the countries of the region that, on the one hand, understand the need to diversify energy supplies, but, on the other hand, do not have the political will or capacity to invest in this area (Mišík and Nosko, 2017). However, there are also several exceptions – for example, this book will discuss in Chapter 4 the case of an LNG terminal in Lithuania, developed individually after failing to secure EU support that required regional cooperation as a prerequisite for funding.

CEE countries tried to place energy security on the EU's agenda in the pre-accession period (Mišík, 2015). However, due to their asymmetrical position vis-à-vis the Commission, typical for this period (Haughton, 2007), they were unable to promote their preferences effectively and mostly followed the Commission's lead – and requirements (Schimmelfennig and Sedelmeier, 2005), which focused on developing energy ministry administrative capacity, on legal systems to transpose the energy legislation and on safety issues connected to several nuclear power plants in the region. Here negotiations mostly focused on the Commission's objective of closing nuclear power plants, which were considered unsafe due to their design

[11] An exception was Romania, which produced a significant part of its oil as well as gas consumption domestically. In 1990 Romania produced 5.5 millions of tonnes of oil equivalent (Mtoe) of oil and 22.9 Mtoe of natural gas, which covered a significant share of its 16.8 Mtoe and 28.8 Mtoe gross consumption, respectively, figures that increased by the 2010s (European Commission, 2017d).

similarities with the Soviet-style nuclear reactors responsible for the 1986 Chernobyl accident. Three plants were – because of their design – objects of such efforts: Kozloduy in Bulgaria, Ignalina in Lithuania and Jaslovské Bohunice in Slovakia (see also Chapter 4). The EU used accession conditionality along with financial aid for decommissioning to force their closure (van Oudenaren, 2001).

These countries had to replace missing generation capacity, and in the case of Lithuania this was achieved by increasing Russian gas imports. Debates regarding nuclear power are prominent in CEE countries with nuclear power plants or those such as Poland that aspire to develop the technology. For instance, in Bulgaria, a new nuclear power plant planned since the 1980s that was cancelled by the government in 2012 on the grounds of expense and lack of necessity was supported by the public in a non-binding 2013 referendum, and in 2018 was again discussed by the government (Barber, 2018).

The only major energy policy–related issue where candidate countries successfully requested modification of the original EU position in accession negotiations was related to emergency stocks of crude oil and petroleum products. Here CEE countries entered into substantive negotiations with the Commission and managed to win concessions in the form of transition periods to complete their emergency stocks (Tosun, 2011). The first energy liberalisation package was transposed by CEE countries before accession (Moravcsik and Vachudova, 2005). Although the second liberalisation package was adopted after formal approval of CEE countries' membership in the EU, they were not present at the negotiation table as the negotiations were concluded before they formally joined (Herweg, 2017). Therefore, these countries presented their internal energy market preferences only during the preparation of the third round of energy liberalisation process, and demonstrated a plurality of preferences and then implementation records (Bocquillon and Maltby, 2017). These issues are analysed in Chapter 3.

After becoming EU members, CEE countries tried to bring energy security issues to the EU level, though were limited in their success until the 2006 Russian gas supply disruption (Bocquillon and Maltby, 2017). Poland, at the time the most active new member state from the CEE region (Copsey and Pomorska, 2010), tried to push through several ideas connected to energy policy and especially energy security. The most important was a proposal for an 'Energy NATO' with the aim of creating a system of legally binding solidarity at the EU level in the case of energy supply shortages, though this was resisted by many member states that did not see this as a priority and opposed such a step (Roth, 2011). The 2006 and particularly the 2009 gas supply disruptions influenced the EU's agenda by demonstrating vulnerability to supply insecurity. CEE countries then had a more receptive environment in which to attempt to influence EU energy security policy, including the financing of infrastructure, solidarity mechanisms and a greater role for the Commission in monitoring and regulating energy contracts (Maltby, 2013). Chapter 4 analyses the foreign policy issues connected to CEE energy transitions.

1.5 CONCLUSION

This chapter has outlined the growing importance of climate and energy policy for the EU, and the increasing overlap between the two areas. Energy transitions are being driven by the policy responses to both climate and energy security concerns, and by the EU's policy and legislative responses, which have also been shaped by the structural and strategic effect of the EU's 'Eastern' enlargement. Whilst the region is broadly characterised by a focus on energy security and relatively less concern with climate policy, countries within the region are increasingly active and influential in both EU policies, and this increasingly means shaping as well as following the EU's desire for global leadership, particularly on climate issues. Despite three decades of independence, political, economic, societal and infrastructural post-socialist legacies still affect CEE countries; as we have highlighted, the EU's concern with energy security is to a considerable extent a result of pipeline-derived gas dependence on Russia.

We have introduced a central feature of this book's analysis, that this is a region that demonstrates how understandings of climate and energy security vary, in terms of the extent to which they are threatened; the source of such threats, risks and vulnerabilities; and the solutions to climate and energy challenges. The region is characterised by a heterogeneity of policy objectives, economic development (with regions of Slovenia wealthier than the EU average, and of Romania and Bulgaria amongst the poorest), policy implementation from renewable energy leaders (Latvia) to laggards (Slovakia), and from antagonistic to positive relations with their main energy supplier, Russia. The analytical chapters of the book explore these factors and evaluate their importance in explaining energy transitions in the region.

The following chapter outlines the theoretical framework that drives the empirical analysis. The energy landscape (Bouzarovski, 2009; Bridge et al., 2013) is a set of interconnected social, material and cultural elements, and climate and energy policies are mediated by the political economy of states – within this landscape we draw upon several broad conceptual perspectives on energy transitions, institutional change and understandings of security. The book is structured around three dimensions, which form our three central Chapters (3–5). The conceptual perspectives are applied to each. First, we consider the governance of climate and energy, second the effect of foreign policy on climate and energy policy – in terms of national, economic and environmental – and finally we focus on societal factors. In doing so we evaluate the role of state, private and NGO actors, markets and state-market relations, institutions (change and continuity), foreign policy and the materiality of infrastructural systems. Such an approach enables us to identify the differences between individual CEE countries – for example, the role of ideas can be used to describe the different understandings of what constitutes energy and environmental security issues, and the solutions to these. Chapter 6 then shows how CEE countries influence energy and climate policy at the EU level, and Chapter 7 develops links between the experience of CEE and global energy transitions.