



Agenda-setting, policy formulation, and the EU institutional context: The case of the Just Transition Fund

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Abstract

Utilizing Kingdon's Multiple Streams Framework (MSF) as a basis, this article aims to further the understanding of the influence institutional factors have on agenda-setting and policy formulation in the European Union (EU). It does so by analyzing the policy process of the Just Transition Fund (JTF) from agenda-setting to policy formulation by the Commission. The research finds that policy entrepreneurship is strongly determined by the characteristics and overlap of institutional policy windows. In the JTF case, the institutional context enhanced the influence of policy entrepreneurs within the European Parliament, especially the S&D party, on the combined process of agenda-setting and policy formulation. Therefore, this paper illustrates that EU MSF scholarship would benefit from taking institutional factors more into account. The conclusions also indicate that supranational institutions can play a larger role in EU climate policy formulation than some of the current research suggests.

KEYWORDS

agenda-setting, European Union, just transition, multiple streams framework, policy formulation

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1 | INTRODUCTION

John Kingdon's (1984) Multiple Streams Framework (MSF) has been widely used to analyze agenda-setting in the United States (US) as well as in other policy systems. Policy-making according to the MSF is filled with ambiguity and organizational chaos. The ultimate goal of the MSF is to add order to this (Herweg et al., 2018). With its multi-level decision-making system, multiple policy venues, and overlapping jurisdictions, the European Union (EU) is a prime example of an institutionally ambiguous policy-making stage. Whereas the MSF is one of the dominant frameworks for interpretation of agenda-setting processes, still only a limited number of scholars have adapted it to the EU context (Ackrill et al., 2013; Herweg, 2016; Zahariadis, 2008). This paper aims to contribute to the growing EU MSF literature by further customizing the framework to the EU context using the Just Transition Fund (JTF) policy process as an empirical case. When talking about the specific context of the EU, this analysis primarily refers to the EU's unique institutional features, which all find their basis in the EU Treaties. These include the specific compositions, rules of appointment, functions, etc., of the EU's main institutions such as the Commission, the European Parliament and the Council, as well as the procedures regulating their interactions (e.g., Wallace et al., 2020). The JTF seeks to ensure a socially just clean energy transition and is one of the main instruments of the European Green Deal (EGD), published by the Commission in late 2019. The EGD is a flagship climate initiative within the EU and aims to make Europe climate neutral by 2050.

The EU's dense institutional system presents ample opportunities for the occurrence of key features of the MSF, such as overlap and spillover between policy windows. For this reason, first, a closer analysis of the characteristics of policy windows in the specific institutional context of the EU is very useful (Ackrill & Kay, 2011). Second, the institutional particularities of the EU beg the question of how key actors, including the EU's institutional actors, such as Directorates-General (DGs) within the Commission or political groups within the European Parliament (EP), take up the role of policy entrepreneur and make use of an open policy window. Finally, the agenda-setting and policy formulation stages are very closely linked in the EU. This is due, among other things, to the Commission's exclusive right to initiate policy, which makes this institution both a crucial gatekeeper in the process of bringing issues to the political agenda and a key player in the subsequent (and in practice often overlapping) phase of drafting future policies (Zahariadis, 2008). The close link between agenda-setting and policy formulation also requires further investigation.

Hence, the core research question of this article is: *“How has the process of agenda-setting, and particularly the characteristics of policy windows and the role of policy entrepreneurs in the specific institutional context of the EU, influenced the formulation of the Commission's proposal for the Just Transition Fund (JTF)?”* First, the MSF will be reviewed in light of the peculiarities of the EU context. Following that, it will be investigated how the JTF rose to the decision agenda and how this in turn influenced policy formulation. The JTF presents a highly suitable case study for the MSF as it provides a multi-faceted picture of the EU agenda-setting process. The first calls for its creation, emanating mainly from the ranks of the EP, date back to 2016. Pushed by different types of policy entrepreneurs and impacted by shifting institutional conditions, it skyrocketed to the top of the political agenda in late 2019. The concluding section discusses the findings, namely that the characteristics and interactions of two policy windows (one related to the establishment of the new Commission in 2019, the other to the periodical revision of the Multiannual Financial Framework, MFF) enabled the effective policy entrepreneurship of the Socialists and Democrats (S&D) party from the EP and strongly influenced subsequent policy formulation. In a broader

sense, the case confirms the relevance of the MSF for studying the early phases of the EU policy process and at the same time adds nuance to some of its key assumptions by highlighting the strong intertwinement of institutionalized policy windows, policy entrepreneurs and policy formulation in the EU context.

2 | THE MULTIPLE STREAMS FRAMEWORK IN THE EU

Kingdon (1984) created the MSF to explain agenda-setting in the US at the federal level. It was inspired by Cohen et al. (1972) garbage can model. The MSF's key explanatory concepts are three semi-independent streams (problem, political and policy) as well as policy entrepreneurs (PEs) and policy windows. The three streams "ripen" and come together in critical junctures when a policy window opens either in the problem or the political stream. Then, skillful PEs seize the opportunity to couple the three streams together to initiate policy change. With these elements, the MSF offers a situational and flexible lens to analyze agenda-setting, taking into account ambiguity, fluidity and non-rational aspects of the policy process rather than focusing on a more traditional linear-rational model (Zahariadis, 2008). The MSF has been widely used in the US context, but also in other political systems. The vast amount of literature has inspired scholars to put forward meta-reviews of the framework and to suggest theoretical refinements (Herweg et al., 2018; Jones et al., 2016; Knaggård, 2015). Others have suggested that the MSF puts too much emphasis on the actions of PEs, allocating only limited consideration to institutional factors (Ackrill et al., 2013; Mucciaroni, 1992). The need to adapt the MSF before using it to analyze different political systems has also been highlighted in the agenda-setting scholarship (see Cairney & Jones, 2016; Herweg, 2016).

The EU's multi-level political system differs greatly from the US, Kingdon's original unit of study. The EU is an entity with multi-level governance structures, different time cycles, fluid participation, overlapping competences and multiple policy venues (Wallace et al., 2020). Applying the MSF to the EU is nevertheless worthwhile, because it provides simple and effective tools for analyzing a continuous process of agenda-setting with a focus on both actors (entrepreneurs) and the wider political and institutional context. This distinguishes it from more or less obvious alternatives such as Punctuated Equilibrium Theory (Baumgartner & Jones, 1993), which focuses on periods of stability vs. brief moments of change, or the Advocacy Coalition Framework (Sabatier & Jenkins-Smith, 1993), which focuses on coalitions rather than individual (or institutional, see below) entrepreneurs.

Given the complex and ambiguous context of the EU, applying the MSF to the EU entails adaptation of the political stream, but also a closer exploration of the policy window concept. The EU's institutional ambiguity and many legislative actors increase the possibility of multiple policy windows interacting, which may affect the predictability, spillover and overlap of those windows (Ackrill & Kay, 2011).

2.1 | The three streams

2.1.1 | The problem stream

The problem stream consists of the various conditions the government, decision-makers and citizens want to be addressed. The stream is ready for coupling with the other streams if, for

instance, focusing events or feedback draw attention to an issue and it is considered problematic by policy-makers (Kingdon, 2014). These concepts are rather universal and do not require adaptation to the EU context.

2.1.2 | The policy stream

The *policy stream* includes different policy communities and various ideas and proposals. Policy communities consist of specialists in any given policy area inside and outside of the governing institutions. Only a few ideas floating in the stream receive serious consideration and are debated in the communities. There are certain criteria, which can enhance the odds of an idea's survival: technical feasibility, value acceptability, tolerable cost, anticipated public acceptance, and reasonable receptivity among elected decision-makers (Kingdon, 2014). The policy stream is ready for coupling if at least one feasible idea exists. PEs are active in the policy stream aiming to push their preferred ideas and solutions to the agenda (see below).

2.1.3 | The political stream

In the original framework, the *political stream* consists of the government, the parliament, national mood and interest groups (Kingdon, 1984). Main elements to influence agenda change are administrative turnover, election results, ideological distribution in the Congress and interest group campaigns. In the EU, "government" is not a single entity, since the Commission, the EP, the Council, and to a certain extent the European Council (EURO) are all involved in legislative work. Due to the Commission being the formal agenda-setter and the only actor that can initiate legislation, at least its support for an issue is needed for the political stream to be ready for coupling (Herweg, 2016). Opportunities to influence the agenda include, among other things, the start of a new Commission or changes in key personnel. The EP elections have an impact on seat distribution, which may affect the EP's policy priorities (Zahariadis, 2008). The Council mainly consists of the aggregated national interests of the member states, so national rather than ideological affiliations are more likely (Herweg, 2016). Due to its heterogenic nature, the EU has 27 different national moods rather than one strictly unified "European" mood, which lessens this factor's effect in the EU context (Herweg, 2016). However, interest groups are very active in EU politics. Without context-specific adaptation of the political stream the MSF cannot be fully utilized in analysis due to its emphasis on the interactions of context, agency and causal mechanisms (Herweg, 2016).

2.2 | Policy windows

A core assumption of the MSF is that agenda change happens when a *policy window* opens. A policy window is defined by Kingdon (2014) as "an opportunity for advocates of proposals to push their pet solutions, or to push attention to their special problems" (p. 165). Policy windows can open due to changes in either the problem or the political stream, but they usually do not stay open for long. When a policy window opens, PEs must couple the streams to create agenda change, given that the conditions under which the streams are ready for coupling exist. Scholars have built upon Kingdon's initial work on policy window predictability and spillover to further specify the influence of the policy windows on the policy process (Ackrill & Kay, 2011; Howlett,

1998). Much of the current EU MSF literature focuses on the activities of PEs rather than the characteristics of the given policy window influencing the process (Ackrill et al., 2013). This paper argues that both have to be analyzed in conjunction.

2.2.1 | Predictability

Kingdon (1984) notes that many policy windows correspond to predictable institutionalized events, such as elections, administration change, policy reforms, or budgetary cycles. The complex institutional landscape of the EU provides for a multitude of institutional policy windows, for example, the change of the Commission, the periodical revision of key programs, such as the Common Agricultural Policy, or the budget cycle. These windows may accommodate a wider range of alternatives, since they can be foreseen and anticipated by decision-makers and PEs. In addition, of course, focusing events, natural disasters or crises can open unpredictable windows (Howlett, 1998). Either way, PEs might need to be prepared and ready to advocate their proposal or solution on short notice and under time pressure.

2.2.2 | Spillover and overlap

Kingdon (2014) uses Haas' (1958) concept of spillover to explain that sometimes the opening of a policy window for one subject increases the probability of another window opening for a related issue. Sometimes a policy window can create a precedent that will guide future decisions in that specific policy arena or even cross over to an adjacent arena. Copeland and James (2014) suggest another policy window characteristic: overlap. Sometimes multiple policy windows can be open at the same time and affect each other. The dense and multi-layered institutional system of the EU offers ample room for spillover and overlap to occur. Also in those cases, however, PEs are necessary to actually seize the opportunities.

2.3 | Policy entrepreneurs, problem framing, and entrepreneurial qualities

Opening of a policy window does not create agenda change by itself—some sort of agency is also needed. PEs aim to initiate action and push their proposal and policies forward by coupling the three streams when a policy window opens. They must skillfully attach problems to their preferred solutions and find politicians receptive to their preferences. A central element in gaining attention to an issue and working to successfully initiate change is the concept of framing (Kingdon, 2014). Frames convey meaning to different audiences in order to influence or manipulate the policy process (Schön & Rein, 1994). Reframing the way in which a problem is seen can create a momentum for the issue and enable its consideration in another policy venue (Baumgartner & Jones, 1993). The way an issue is framed in the agenda-setting stage also has an impact on the policy design during policy formulation. This is because a chosen problem frame together with the policy venue can shape or limit the policy choices available (Zahariadis, 2008). PEs do not only advocate their chosen problem frame but engage in the policy process in many ways. Kingdon (2014) underlines that the most important entrepreneurial qualities of a PE are persistence, resources and access. They spend a considerable

time “softening up the system,” which means talking to decision-makers about their preferred alternatives, creating coalitions and keeping the issue alive even when the topic is not high on the agenda (Kingdon, 2014, p.181). The literature suggests that, in the EU context, institutional actors, such as DGs or political groups in the EP, have ample opportunities to act as PEs; focusing on just individuals as PEs would limit the scope of the analysis (Ackrill & Kay, 2011; Zahariadis, 2008).

2.4 | Linking agenda-setting and policy formulation

On the basis of its exclusive right of initiative, the Commission ultimately determines which issues enter the formal political agenda, but it is also in charge of writing the first draft of any legislative proposal. This grants the Commission a pivotal role connecting the phases of agenda-setting and policy formulation. It is in fact easy to imagine that setting the agenda and preliminary deliberations about elements to be included in the first draft often go hand in hand. Consequently, the EU MSF literature often tends to consider the Commission as the main policy entrepreneur (e.g., Copeland & James, 2014; Schön-Quinlivan & Scipioni, 2017). However, even though policy formulation in the EU is formally the Commission's competence, this does not mean that different actors and factors do not influence the process. This research aims to further the EU MSF scholarship by investigating how different factors and actors especially outside of the Commission involved in the agenda-setting phase extend their influence to the policy design in the Commission's proposal. Policy design is operationalized here as the basic policy choices made in the JTF proposal, such as scope, criteria, budget and responsible DG. In order to make more precise analysis possible, the focus is on three elements that could have influenced the policy design of the JTF: policy windows, problem framing and entrepreneurial qualities. Of course, other factors, such as bargaining dynamics and inter-institutional relations, also influence EU policy-making but this research focuses on the aforementioned elements.

3 | METHODS

The Just Transition Fund was chosen as the single case study for this research, since it presents a fascinating and multi-faceted policy process to be analyzed through the MSF lens. The idea of a JTF had been floating around in the EU institutions since 2016. It shot up to the top of the Commission's agenda in late 2019, leading to a formal proposal already in January 2020. Throughout the process, actors within the EP actively propagated the issue, while the final phase coincided with key events such as the coming-into-power of a new Commission and the re-opening of the MFF negotiations. These circumstances do not make the JTF a unique case—long lead times and suddenly enhanced policy dynamic leading to rapid policy formulation occur more often—but at least a highly suitable case for analysis in terms of the MSF. The JTF is a part of the EGD's broader Just Transition Mechanism (JTM), which also includes financial leverage schemes for private and public investment at the EU level. The JTF is the regulatory part of the JTM, which makes it an interesting focus for agenda-setting and policy formulation research.

The main method used is process tracing on the basis of 16 semi-structured interviews with experts and policy-makers together with extensive document analysis and unofficial discussions, conducted during a traineeship at the EP in 2020. The selection of interviewees includes EU

officials from various institutions, member state representatives as well as non-governmental organizations (NGOs) and think tank experts closely following the JTF file (for a full list, see Appendix 1). This selection was chosen to ensure a broad inclusion of different insights into the JTF process. Furthermore, the lead researcher observed the legislative process in the European Parliament in REGI committee meetings, closed-door technical meetings with the Commission and other discussions. Committee reports, opinions and documents from EURLEX were used for triangulation, as well as documents from other EU institutions, independent research institutes, press releases and other media sources. The data was coded in ATLAS.ti using the concepts of the MSF (streams, policy entrepreneur, etc.) as main variables. The focus on a single case study limits the possibility of generalizing the empirical findings as such. However, by focusing on underlying mechanisms, the paper has the primary aim of contributing to the further development of the MSF framework in the EU context, that is, theoretical generalization (Bryman, 2016).

4 | THE JUST TRANSITION FUND: AGENDA-SETTING AND POLICY FORMULATION

In general, just transition means taking into account social cost and social justice when transitioning to green, low-carbon society (Mayer, 2018). The European Commission (2019) sees just transition as “leaving no one behind” in the transition to climate neutrality. There is no single definition of the concept: some framings of just transition focus more on the social justice side and others on the ecological side (Snell, 2018).

The JTF is a central part of the Commission's Green Deal and one of the three pillars of the Just Transition Mechanism (JTM) (European Commission, 2019). The JTF is a shared management instrument, meaning that the Commission and national authorities in member states are jointly in charge of it. Its objective is to support regions bearing significant negative socio-economic impacts of the transition via grants. The Commission published a proposal for the establishment of a Just Transition Fund in January 2020 with a proposed budget of €7.5 billion (European Commission, 2020). It was prepared by the Directorate-General for Regional and Urban Policy (DG REGIO) as part of cohesion policy, which main aim is to promote harmonious development of EU member states and regions. The JTF has a specific scope of supported initiatives, including the reskilling of workers, economic diversification and investment in companies and research. The process leading up to the proposal will now be described and analyzed in four episodes.

4.1 | Episode 1: The 2016 Emission Trading Scheme reform and failed agenda change

There are some mentions of just transition in EU documents before 2016. However, the first concrete proposal for establishing a fund to achieve just transition was put forward by the S&D party in the EP, working closely with the trade unions. In 2016, during discussions on the Emission Trading Scheme (ETS) reform in the Committee on Industry, Research and Energy (ITRE), the S&D Member of the European Parliament (MEP) Edouard Martin tabled amendments calling for the creation of a JTF (Interview 1). The goal of the fund was to use 2% of the ETS revenues for “cushioning the social impact of climate policies in regions which combine a high share of workers in carbon-dependent sectors and a GDP per capita well below the EU-average” (European Parliament, 2016, p. 105). This “labour frame” of just transition focused on the need to support

and reskill workers during the energy transition. The S&D was successful in getting the amendments included in the Parliament's official position but, mainly because the Commission and the Council did not back the idea, they did not end up in the final reform (Interview 1). Instead, a Modernization Fund was established under the ETS. Its scope of support includes just transition initiatives, such as financing renewable energy projects and reskilling workers, but it also supports non-climate friendly projects, such as natural gas initiatives (Interview 2; Cătuți & Elkerbout, 2019).

In terms of the MSF, at this point a feasible solution, advocated by the S&D and the trade unions, was available in the policy stream. The ETS reform opened a predictable policy window in the political stream. The S&D exercised policy entrepreneurship by framing the issue through a social justice and workers' rights lens ("labour frame") and using the policy window opened by the ETS reform to get the issue onto the decision agenda. However, the problem stream did not have enough indicators, feedback or focusing events for a wide-spread problem recognition outside the S&D and the EP. The fact that the Commission and the Council were not receptive to the idea was decisive, since for the political stream to be ready for coupling at least the Commission's support is required. This indicates that the policy entrepreneurship of the S&D was not strong enough to get the issue to the decision agenda, even though a suitable predictable policy window was present.

Following the failed attempt to insert just transition into the ETS reform, the issue was kept alive especially by different civil society actors. In 2017, the Jacques Delors Institute published a comprehensive *Making the Energy Transition a European Success* report containing recommendations on how to bring about a just transition (Pellerin-Carlin et al., 2017). In the same year, the "Europe Beyond Coal" collective NGO campaign was launched. The civil society coalition advocated a "holistic climate frame" including just transition and climate considerations in all cohesion and regional funds and excluding any support to fossil fuel projects. These initiatives brought the issue stronger to the public agenda and started to build up indicators that the issue needed policy-makers' attention in the problem stream.

Inside the EU institutions, one of the central policy entrepreneurs and a long-term advocate of a JTF was Jerzy Buzek, a Polish MEP from the European People's Party (EPP). Parallel to the civil society coalition and the S&D's earlier policy entrepreneurship, he worked on raising awareness of the importance of a just transition for the European coal regions within the EP and collaborated with the Commission. His "industry framing" of the issue emphasized the need for financial support for companies especially in coal regions for taking the necessary measures to implement the transition. Although socio-economic aspects were also mentioned, Buzek's perspective was distinct from the S&D's "labour framing," which focused on socio-economic issues, especially considering workers (Interview 3).

The increasing social and political pressure regarding just transition started to be recognized also inside the Commission. In late 2017, the Commission's Coal Regions in Transition (CRIT) platform was established under the heading of DG Energy (DG ENER). The CRIT is a knowledge-sharing platform, which assists regions to apply for funding for the energy transition. The CRIT's framing of just transition is broad, and its main point is to receive as many ideas as possible and keep the discussion open for all. However, it shares elements of Buzek's framing by focusing solely on coal regions. Commission Vice-President Maroš Šefčovič and Klaus-Dieter Borchardt from DG ENER were key players inside the Commission pushing the initiative forward (Interviews 1, 3, 4, and 5). Since the Commission is one of the main players in the political stream, a shift in its position is significant. As a Finnish government official (Interview 6) articulated, the publication of the CRIT initiative gave the member states indication that a legislative proposal considering just transition was most likely in the pipeline.

4.2 | Episode 2: The 2018 Just Energy Transition Fund and the nonexistent policy window

The year 2018 saw developments also in the problem stream, since problem indicators in the form of research and declarations were presented nationally and internationally. In Germany, just transition featured heavily in the *Roadmap for a Just Transition from Coal to Renewables* (Agora Energiewende und Aurora Energy Research, 2019). In addition, during the 24th Conference of the Parties (COP) in Katowice over 50 of the participating countries agreed to support the *Solidarity and Just Transition Silesia Declaration* (UNCCC, 2018). The host country Poland played a key role in getting the declaration out, which helped to increase the attention for just transition at the international and EU levels (Interview 1). This underlines that Poland was the member state most actively exercising entrepreneurship on the issue.

In the same year, the EP accepted a resolution for the creation of a Just Energy Transition Fund (JETF) as a part of an interim report on the Multiannual Financial Framework (MFF) 2021–2027 (European Parliament, 2018). The proposal came from the ITRE Committee and the rapporteur for the file was MEP Buzek. The resolution proposed a €4.8 billion fund to support the energy transition of the coal regions in the EU. MEP Buzek's policy entrepreneurship secured a broad cross-party support for the resolution in the plenary in 2018. (Interviews 7 and 8). More generally, Buzek was able to use his position, political clout (as former prime minister of Poland and former president of the EP) and resources to soften up the different EU institutions to the idea of just transition. One EU official called Buzek's JETF the "missing piece" of the just transition policy process, since it proposed monetary allocation unlike the CRIT (Interview 8).

The stated goal of the JETF took into account the socio-economic impacts of the energy transition (European Parliament, 2018, p. 184) but, as confirmed in several interviews, its main aim actually was to ensure support for companies in coal regions to implement the transition (Interviews 4, 9, 10, and 11). The fund thus predominantly reflected the "industry framing" of the issue. It was communicated that DG ENER endorsed the focus on supporting companies and regions during the energy transition (Interview 8).

However, despite MEP Buzek's success in getting the idea of the JETF accepted by the EP in November 2018 and the apparent presence of a policy window in the form of the Commission's MFF proposal, the idea did not materialize any further at this point. A possible explanation for this is that since the MFF negotiations were already quite far advanced in November 2018, the Commission was reluctant to propose additional claims on the budget (Interviews 2, 6, and 12). Therefore, the MFF policy window was already closing and the timing was not optimal to get the JETF onto the decision agenda. As it turned out, however, inter-institutional negotiations on the MFF failed and the decision on the new budget was prolonged.

4.3 | Episode 3: A new Commission, a policy window and the rise onto the agenda in 2019

In 2019, there were multiple predictable, institutionalized changes in the EU, including the EP elections and the coming-into-power of the new Commission. The time cycles of these institutional events created an interesting landscape for agenda-setting. In a later stage (see below), the re-opening of the MFF negotiations further added to the overlapping policy windows in the political stream.

Even though the European elections do not open a policy window themselves, since the EP does not have the competence to set the formal agenda, the election results can still alter the priorities of issues it tries to elevate to the agenda (Franklin & Hobolt, 2015). As a result of the 2019 elections, the seat distribution in the EP became more fragmented since the two biggest parties (the EPP and the S&D) lost their single majority. In addition to that, the Greens increased their seats in the Parliament. This “green wave” has been linked to the increased climate change concerns among the EU citizens (Interview 3). In 2019, citizens ranked climate change as the second most important issue facing the EU in the Eurobarometer survey (European Union, 2019). Even though there is no conclusive “European mood,” this shift in focus provided decision-makers with solid indicators in the problem stream that not only research institutes but also the public saw climate change as a serious problem.

The new European Commission entered into office in December 2019, opening a predictable institutionalized policy window in the political stream. The EGD was a major theme in Commission President-elect Ursula von der Leyen's campaign. Given the EP's power to approve or dismiss the Commission, and although her own nomination as Commission President had already been confirmed by the EP in July 2019, it was important for Von der Leyen to convince the EP to vote for her entire team. This brought especially the S&D party in a key position to negotiate. Von der Leyen, coming from the EPP, could count on her own party's support but had to ensure that she would get votes from the S&D and Renew Europe to secure a single majority.

The S&D showcased effective entrepreneurial qualities by using the threat of their veto power over the new Commission (Interviews 1, 2 and 13). S&D President Iratxe García Pérez wrote a letter articulating that the S&D's backing of Von der Leyen rested on the level of commitment she would show concerning the priorities of the S&D (S&D, 2019a). One of the key messages was the need for a Sustainable Europe Investment Plan and as a part of that a JTF to address “the effects of climate change and of digitalization on the workforce” (S&D, 2019a). This rhetoric was in line with the “labour frame” proposed by the S&D MEP Martin in 2016.

As the second largest group in the EP, the S&D had resources and access to soften up policy-makers for their ideas. Their chosen policy window – the changing of the Commission – worked effectively, since they could exert more influence than usually. The launch of the EGD elevated climate to a top political priority, which created a favorable environment for the issue of just transition to gain attention in the political stream. Also, First Vice-President Frans Timmermans, as the Commissioner responsible for the Directorate-General for Climate Action (DG CLIMA), and Commissioner Elisa Ferreira (DG REGIO) come from social-democratic parties and both DGs were closely involved in the policy formulation of the JTF. Securing these two high-up Commission positions to individuals with a S&D background (cf. S&D, 2019b) further increased the S&D's possible influence on the JTF process.

Interestingly, the member states were not mentioned as active PEs in the interviews as much as expected. Especially Germany might have thought to have played a big role, but it seemed to stay in the background and focus on the national coal phase-out, which was larger in budgetary scale (Interviews 3 and 14). However, Poland was mentioned as an active actor pushing for the JTF in the Council for some time. Some mentioned that it was likely that MEP Buzek and the Polish government were cooperating to some extent during the agenda-setting period (Interviews 7, 1, and 3). Furthermore, the fact that Poland did not agree on the climate neutrality pledge in late 2019 was seen as a bargaining tactic to ensure the establishment of a JTF (Interviews 2 and 3). The Baltic States were also vocal in their support for a JTF, since they experienced cuts in the cohesion policy allocation and wanted to ensure funding from other channels (Interview 10).

4.4 | Episode 4: Policy formulation 2019–2020

These events led the Von der Leyen Commission to take up the JTF immediately after its establishment and to start the formal preparation of a proposal in December 2019. It may thus seem that within a very short period of time, various key policy choices were made, since the proposal was published in January 2020. These included that the fund was led by DG REGIO, that its focus was on socio-economic aspects (“labour frame”), that its budget was proposed to be €7.5 billion, that all member states were eligible and that the scope was extended from coal to include also peat, oil shale and greenhouse gas-intensive industrial processes. Looking more closely, however, the separation between the agenda-setting and policy formulation phases was not as clear-cut as it may seem at first sight. As mentioned, Von der Leyen’s nomination as Commission President was endorsed by the EP as early as July 2019 and the Commission started working on a JTF proposal already then. (Interview 11). The rapid publication of the proposal after the Commission took office on December 1, 2019 can only be explained with reference to directions taken during the summer, when agenda-setting and policy formulation stages were intertwining.

4.4.1 | The MFF policy window and the JTF

An important institutional factor that influenced the JTF policy process was the delay in the periodical MFF negotiations. Following the impasse in 2018, the Finnish Council Presidency proposed new negotiations on the MFF in late 2019. This re-opened the MFF budgetary policy window, creating an interesting situation of multiple policy windows being open at the same time. Considering that the need for a new budget was becoming more and more pressing, the new EUCO President Charles Michel announced that he wanted to finalize negotiations on the MFF in the EUCO meeting in February 2020. Since the €7.5 billion proposed for the JTF needed to be included in the MFF to become reality, the best way to make it work was to get the proposal out before February (Interviews 10 and 12). This could partially explain the shared notion among EU officials that the JTF proposal was created under severe time pressure (Interviews 5, 10, 11, and 15). In terms of the MSF, the policy decision to close the MFF negotiations swiftly created a spillover to the policy window opened by the change of the Commission. This interaction opened new opportunities but also imposed temporal constraints on the JTF.

4.4.2 | The choice of the lead DG

Within the Commission usually one DG is tasked with drafting a proposal, but inter-service dialogue and meetings are organized for other DGs to give feedback. Different DGs have different competencies and limitations when it comes to policy design and therefore the choice of the DG is significant for both problem framing and policy design. In this case, this mainly involved the choice of assigning the JTF file to DG REGIO or DG ENER. Already in the early stages of agenda-setting, it had turned out that DG REGIO championed a “labour frame” while DG ENER favored an “industry frame.” The EUCO’s aim to reach an agreement on the MFF in February 2020 was an institutional factor that rushed the assignment of the file to one of the two DGs. Many interviewees pointed out that the JTF was given to DG REGIO mainly for practical and technical reasons (Interviews 5, 6, 8, and 11). While DG ENER (as well as in fact DG CLIMA, which was initially interested in the file too) can only create direct management instruments, such as Horizon EU, DG REGIO has extensive experience creating

shared management instruments and had all the structural and organizational aspects in place to get the file out quickly (Interviews 5 and 11). Thus, the technical design of the JTF would become closely similar to the other cohesion funds also administrated by DG REGIO. Furthermore, the strict timeline decreased the possibility for considering alternative options in an inter-service dialogue, which also contributed to the rapid choice of DG REGIO (Interviews 5, 8, and 12).

4.4.3 | Problem framing and policy entrepreneurs

There were two prominent problem frames that competed during the agenda-setting stage. The S&D's problem framing of the JTF, endorsed also by DG REGIO, was the "labour frame" focusing on workers' rights and socio-economic issues. In contrast, MEP Buzek and DG ENER advocated an "industry frame" to support measures taken by companies and regions during the energy transition rather than the socio-economic impacts (Interviews 1, 3, 4, 7, and 8). Both MEP Buzek and the S&D were pivotal PEs during the early years of just transition agenda-setting. Even though their problem frames were different, their efforts complemented one another by ensuring that the issue was getting attention. Especially MEP Buzek from the EPP exercised remarkable policy entrepreneurship in the EP and was named by some as the "father of the JTF" (Interview 2). However, the analysis found little indication that his influence extended to the policy formulation stage to the same degree. On the contrary, the problem framing used in the Commission's proposal aligns with the "labour frame" advocated by the S&D during agenda-setting. This can be explained to a large extent by the S&D's skillful entrepreneurship during the appointment of the Von der Leyen Commission, as described above. Furthermore, the choice for DG REGIO, albeit influenced by other factors as well, gave the S&D party an additional possibility to extend its influence to the policy formulation, since the S&D is the party of Elisa Ferreira, the Commissioner for Cohesion and Reforms. S&D President Iratxe García noted that not only are the S&D priorities (such as the JTF) included in the Commission's work program but the Just Transition Fund will be "designed and implemented by Elisa Ferreira" (S&D, 2019c, p.1).

The third framing advocated by mainly civil society organizations focused on expanding the concept of just transition to all cohesion policy and excluding all support for fossil fuel projects, including gas. This "holistic climate frame" was not prominent in the policy formulation stage. According to the NGO experts this was partly due to the lack of stakeholder consultation prior to publishing the proposal (Interview 2).

5 | DISCUSSION AND CONCLUSIONS

This paper analyzed the agenda-setting and policy formulation of the JTF, using the theoretical perspective of the MSF and focusing on three themes: (1) the characteristics of policy windows in the particular context of the EU, (2) policy entrepreneurship within this specific context, and (3) the link between agenda-setting and policy formulation.

Considering the first theme, the findings highlight the key importance of institutional policy windows, in this case embodied particularly by the institutionalized setting of the MFF process and the scheduled appointment of the new Commission in December 2019. Within those institutional settings, to be sure, actors take strategic decisions, such as new EUCO President Michel's decision to finalize the MFF negotiations in February 2020 or the S&D's decision to make the JTF a key issue in the approval of the Von der Leyen Commission. However, well-established and

“predictable” institutional conditions, such as the budget cycle or the change of the Commission, enable the occurrence of policy windows in the first place.

Subsequently, and turning to the second theme, the political and institutional opportunities offered by those particular windows can be actively used by PEs to influence the process. Crucially, however, policy windows also bring constraints: they determine when and how exactly a PE can act. A key example in the JTF case is the power to make or break the new Commission in the EP, which offered a great but short-lived opportunity to the S&D party to push through its “labour framing” of the JTF. The coincidence with the MFF process, contributing to a rapid assignment of the JTF file to DG REGIO, offered additional room for the S&D and its allies in the Commission to confirm this particular framing. This course of events could not have been comprehensively explained without investigating the characteristics of the different, partly overlapping policy windows. This is not a novel insight as such: agency and structure are recursively related (Giddens, 1984). However, considering that EU MSF studies generally tend to focus on the actions of PEs (Ackrill et al., 2013; Mucciaroni, 1992), this study stresses that taking into account the institutional context in which these actions take place is of utmost importance. In fact, the institutional context also, to a considerable extent, determines who can be a PE. Although the power of individuals should never be underestimated – remember MEP Buzek’s role in the early phases of agenda-setting—the S&D strategy in 2019 required what may be called institutional entrepreneurship by the party collectively.

Finally, relating to the third theme, the case confirms that the EU system accommodates a strong continuity between the phases of agenda-setting and policy formulation. A case in point is, again, the “battle” between the two competing framings of the JTF issues, which became visible already in the beginning of the agenda-setting process but was resolved only in the policy formulation phase. In a similar vein, one could argue that S&D entrepreneurship was carried on from the agenda-setting to the policy formulation phase. It was merely the arena that shifted from the EP to the workings of the Commission, dependent on the institutional opportunities available in the respective phases. Future EU MSF scholarship would benefit from extending its perspective from the agenda-setting to the policy formulation phase.

5.1 | Implications for the wider integration debate

The JTF case brings interesting deliberations also to the EU integration debate more generally. The new intergovernmentalist approach argues that in the post-Maastricht period, particularly when it comes to key issues, integration has continued in more intergovernmental terms (Bickerton et al., 2015). However, in the case of the JTF, the more supranational actors (the Commission and particularly the EP) were highly influential in pushing the issue onto the decision agenda. At the same time, the member states seemed to be more at the sideline or at least, except perhaps for Poland, not exercising active PE. This is interesting, since the Commission, the Council, in some cases also the European Council as well as certain member states have been seen as having strong entrepreneurial, cognitive and structural leadership when it comes to climate policy (Skjærseth, 2017; Wurzel et al., 2019). The strong and active role played by the EP in the case of the JTF deviates from findings of previous research, where the EP’s leadership role in climate policy has been seen as rather symbolic (Burns, 2017). The findings indicate that, under circumstances, the EP can still considerably advance agenda-setting and policy formulation in key areas such as climate policy. As suggested by this (admittedly single and relatively limited) case study, such circumstances include ambitious and persistent entrepreneurship and favorable

institutional conditions. This is not to say that intergovernmental elements and considerations were absent from the JTF case. The Commission did make some political choices considering the policy design of the JTF, by for instance opening it up to all member states and including peat, oil shale and greenhouse gas-intensive industrial processes, to ensure the Council's receptiveness for it (Interview 16). However, the argument put forward by Bickerton et al. (2015) that the supranational institutions are currently not even seeking a stronger position in EU policymaking is not supported by the findings of this research. On the contrary, the EP and the Commission showed strong initiative in pushing the JTF to the agenda, even when the Council and most member states remained relatively passive.

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CONFLICT OF INTEREST

The empirical work for this paper was conducted during Taru Leppänen's traineeship at the European Parliament in 2020. She is currently working as an Assistant to a Member of the European Parliament. The views expressed by her are her personal views and do not necessarily reflect those of the European Parliament.

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APPENDIX 1

Interview	Interviewee	Date
1	Trade union senior policy advisor	10/2020
2	NGO energy policy expert	6/2020

Interview	Interviewee	Date
3	Think tank senior policy advisor	11/2020
4	NGO EU policy officer	6/2020
5	Commission official	7/2020
6	Finnish government official	6/2020
7	Think tank energy policy expert	6/2020
8	EU official	7/2020
9	Special advisor, Permanent Representation of Finland to the EU	5/2020
10	Commission official	6/2020
11	Commission official	6/2020
12	EU official	6/2020
13	Advisor, Renew Europe	5/2020
14	Official, Representation of the State of North Rhine-Westphalia to the European Union	3/2021
15	Administrator – COTER Secretariat	6/2020
16	Administrator – CoR ECON Committee	6/2020