ENLENS: Energy Transition Through the Lens of SDGs

Research Priority Area application

1. Title: The Politics of Environmental Market Making in the European Union

2. Main applicant: Dr. P.W. Zuidhof (Associate Professor, Dept. European Studies, FGw)**;**
Co-applicant: Dr. Giacomo Tagiuri (Assistant Professor, Dept. of European Law, FdR)

3. Societal case

The success of the energy transition critically depends on the ability to transform the economic organization of energy production and use across various sectors. One important question is whether and how markets will emerge that can help support the diffusion of cleaner and more efficient energy technologies and pathways. The EU is at the forefront of these efforts and EU policies in support of the energy transition often seek to regulate existing markets, by, for example, requiring legally binding targets for clean energy use. At closer look, however, many EU policies extend well beyond merely regulating markets and involve some form of *environmental market making*: the active creation of markets or market-like economic arrangements as instruments for reaching environmental policy objectives. Environmental market making may take various forms: the most conspicuous example is the introduction of offset schemes, but also includes market making for new environmental goods and technologies (e.g. hydrogen), the introduction of investment (e.g. EU Taxonomy) or consumer labeling schemes, and circular economy initiatives (Dargusch and Griffiths 2008). Some of these schemes involve full-blown creation of markets where these previously did not exist; others pursue sustainable products and technologies via various market devices (e.g. pricing mechanisms; labelling etc).

Despite its ubiquity, the turn toward environmental market making has largely gone unquestioned. A key challenge posed by environmental market making is that it rearranges the conventional relation between politics and the market and relocates the sites of political contestation. The project explores under which conditions environmental market making can support the achievements of the SDGs. To do so, the project (1) identifies some key instances of environmental market making in EU law and policy; and (2) maps the types of political questions that arise from environmental market making. Said political questions include among others: a) who gets to participate in their design and regulation; b) how entitlements and resources are distributed; c) the novel forms of contestation these markets generate on the ground. Drawing on perspectives and insights from anthropology, sociology, law, science and technology studies, as well as economics, this interdisciplinary project seeks to guide academics and policy makers on how market making strategies can responsibly be applied as a strong institution (SDG16) to support the broader goals of the energy transition (e.g. SDG7, 9, 10, 11, 12 and 13).

4. Scientific case

While there is an abundance of research on the interplay between environmental regulation and economics, questions pertaining to the politics of environmental market making have received strikingly little attention. This project builds on some prior work on ‘concerned markets’ in economic sociology (e.g. Frankel et.al. 2019, Geiger et.al. 2014) and the incipient theorization of the notion of environmental markets (Doganova and Laurent 2019; Karnøe et.al. 2022). The project matches this work with legal scholarship studying markets as socio-legal constructs focusing on how the design of legal entitlements as well as the redesign of market institutions by different stakeholders shape the social outcomes of markets (Pistor 2019; Dagan et.al. 2020). In so doing the project identifies the political opportunities and limitations of environmental market-making, also with an aim of sharing these with policy practitioners.

First, the project will enable the applicants to further develop their research on environmental market making. Applicant Zuidhof will focus on developing a framework for studying the technopolitical issues that accompany environmental market making, building on a case study of the EU Hydrogen Strategy. Applicant Tagiuri focuses on mapping the legal infrastructures of environmental market making, and decisional processes across different settings (legislative, administrative, courts) where the features of environmental markets are deliberated and contested.

Second, the project aims to identify, connect and foster existing research on environmental market making within the various Faculties of the UvA (also within ENLENS) to explore further interdisciplinary synergies through networking events. It subsequently aims to connect these with important research conducted elsewhere by hosting an international workshop. The workshop will result in a joint volume or special issue and provides a platform to explore future grant applications.

5. Contribution to the aims and success indicators of ENLENS

A. *How will your project evolve after the proposed research/activity. What is the long-term goal? (ENLENS aims at initialization of new activities that may carry on thereafter (seed-money)*
The main aim of the project is to build an interdisciplinary, international research community, that links theoretical research on market making to policy-oriented questions about the achievement of SDGs. The project aims to generate a volume or special issue and potential plans for collaborative research project applications beyond its duration.

B. *Why and how does your project contribute to the UvA-community of interdisciplinary research, and ENLENS more specifically?*
The project brings together scholars from law and the humanities and its very aim is to build an interdisciplinary community across the UvA-faculties whose research could contribute to the research questions mapped within the project. This is done through a Network Workshop whose aim is to acquaint with and feed on each other’s research.

C. *ENLENS aims at broadening the community beyond the group of project PIs. Describe how your project will contribute to this goal.*
By design the project seeks to create a network of like-minded scholars at UvA as part of its international network building objectives. Where possible these researchers are matched with relevant policy makers in the European context, to explore how environmental market making features in current policy practices and how to improve said practices.

6. Budget

Faculty of Humanities (FGw)	
UvA-wide, interdisciplinary *Environmental Market Making* Network Workshop (Oct. 2025): with invited international expert	€ 2.500
International, interdisciplinary Workshop and Policy Expert meeting on *Environmental Market Making* (Jun. 2026): with international collaborators and EU policy officials	€ 7.000
Research Assistance (roughly 100 hours)	€ 3.000
Material Costs (books, travel, international conference visit 4S, Oct. 2026)	€ 2.500
Faculty of Law (FdR)	
Research-time for co-applicant Giacomo Tagiuri for Spring 2026 (roughly 100 hours)	€ 8.500
Research Assistance (roughly 100 hours)	€ 3.000
Material Costs (books; travel, international conference visit e.g. Law and Society)	€ 3.500
Total budget:	**€ 30.000**

7. References

Dagan, Hanoch, Avihay Dorfman, Roy Kreitner, and Daniel Markovits. 2020. "The Law of the Market." *Law and Contemporary Problems* 83 (2): i–xviii.

Dargusch, P., and A. Griffiths. 2008. "Introduction to Special Issue: A Typology of Environmental Markets." *Australasian Journal of Environmental Management* 15 (2): 70–75. https://doi.org/10.1080/14486563.2008.9725186.

Doganova, Liliana, and Brice Laurent. 2019. "Carving out a Domain for the Market: Boundary Making in European Environmental Markets." https://doi.org/10.1080/03085147.2019.1624071.

Frankel, Christian, José Ossandón, and Trine Pallesen. 2019. "The Organization of Markets for Collective Concerns and Their Failures." *Economy and Society* 48 (2): 153–74. https://doi.org/10.1080/03085147.2019.1627791.

Geiger, Susi, Debbie Harrison, Hans Kjellberg, and Alexandre Mallard, eds. 2014. *Concerned Markets: Economic Ordering for Multiple Values*. *Concerned Markets*. Cheltenham, UK: Edward Elgar. https://doi.org/10.4337/9781782549758.

Karnøe, Peter, Julia Kirch Kirkegaard, and Koray Caliskan. 2022. "Introducing the Lens of Markets-in-the-Making to Transition Studies: The Case of the Danish Wind Power Market Agencement." *Environmental Innovation and Societal Transitions* 44 (September):79–91. https://doi.org/10.1016/J.EIST.2022.05.003.

Pistor, Katharina. 2019. *The Code of Capital: How the Law Creates Wealth and Inequality*. Princeton: Princeton University Press.