

Position paper

June 2013

The EU and Member States need local authorities for achieving their goals.

Local authorities need political, legislative and incentive framework to play a bigger role in the climate and energy 2030 strategy.



SUMMARY

In March 2013, the European Commission adopted a Green Paper on 'A 2030 framework for climate and energy policies' ¹ and launched a public consultation to gather ideas about how a post-2020 strategy should be shaped in order to fulfil the three cornerstones of the EU's climate and energy policy - energy security, competitiveness and climate protection - as defined in the 2050 Low Carbon Economy and Energy Roadmaps.

Energy Cities welcomes the European Commission's initiative to invite concerned stakeholders to share their visions on the type, nature and level of the European commitment in building a reliable and comprehensible climate and energy framework for 2030.

Energy Cities calls on the European Commission to firmly acknowledge the tremendous potential of local authorities to lead the way in the territorial energy transition. Cities and towns have offered an unprecedented and unique contribution to European climate change mitigation efforts within the framework of the Covenant of Mayors - not only have they voluntarily committed to go beyond the 3x20 objectives by 2020, but they have unilaterally spearheaded new technological, social and financial actions to achieve this goal.

By being innovative practitioners on the ground, closest to citizens and various actors, local authorities have proved that their role need to be much greater in the energy systems of the future. They are now eagerly stretching hands to EU and national institutions, financial, industrial, academic and non-governmental stakeholders, to join forces and work together for meeting the ambitious long-term European energy and climate challenges.

In spite of such evidence, Energy Cities is very disappointed by the absence of any reference to local and regional authorities in the Green Paper.

We therefore ask the European Commission and the other EU institutions for:

- 1. a **political support** through a **Communication** of the Commission to the Council, the Parliament, the Committee of the Regions and the European Economic and Social Committee on the role of local and regional authorities in the energy and climate policies;
- 2. a **clear and ambitious legislative framework for 2030** (i.e. 3 ambitious and binding targets for GHG emissions, renewable energy and energy savings) in order to give clear signals to market actors;
- 3. **adequate EU programmes and instruments** to boost investments at a large scale in parallel with innovative actions by local and regional authorities.

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http://ec.europa.eu/energy/green_paper_2030_en.htm

ENERGY CITIES' POSITION

1. Energy Cities calls for a <u>Communication</u> on the role of local authorities in the EU framework for energy and climate policies

Local and regional authorities have voluntarily engaged in sustainable energy policies, not only to tackle climate change but because it makes sense at local level. By implementing the energy transition on the ground, they are creating employment opportunities and giving an answer to the on-going economic crisis. They are generating new and innovative partnerships with a myriad of stakeholders to respond to citizens' concerns in terms of affordability of energy but also to improve their quality of life.

In Europe, the Covenant of Mayors has been unexpectedly successful. Originally foreseen to mobilise a dozen of front-runner cities in Europe in the framework of the 3x20, the initiative covers today more than 170 million citizens in 5,000 cities and towns. Their voluntary commitment to go beyond the 20% of CO₂ reduction by 2020 has yielded concrete results not only in terms of GHG emissions decrease but also in terms of economic development and quality of life.

Much more could be done, would cities and towns be further acknowledged and encouraged for their precious contribution as done in the conclusions of the United Nations Conference on Climate Change – COP16 in Cancun² and of the United Nations Conference on Sustainable Development, RIO+20.

Therefore, Energy Cities calls on the European Commission:

- to adopt a Communication addressing the Council, the Parliament, the Committee of the Regions and the
 European Economic and Social Committee on the role of local and regional authorities in the climate and
 energy policies. This Communication should ensure that the Covenant of Mayors is acknowledged as one of
 the policy instruments of the EU for achieving its energy and climate goals;
- to introduce a chapter about the role of local and regional authorities in the 2030 framework for energy and climate policies that will result from the consultation.

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² The Cancun Agreements of COP 16 - http://unfccc.int/meetings/cancun_nov_2010/meeting/6266/php/view/decisions.php

Local and regional authorities, as consumers, as planners and regulators, as role models or as producers and suppliers, need certainty and reduced regulatory risk such as any other investor at both global and local levels. In the current 2020 framework, via the Covenant of Mayors, local authorities have proved their capacity to implement energy-saving projects and to tap into their local potential to develop renewable energy sources. Doing so, Covenant Signatories are expected to exceed the EU target and to reach a 25% reduction of their CO₂ emissions by 2020.

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An ambitious and binding target for GHG emissions for 2030 is crucial to show local authorities that their voluntary commitment through the Covenant is echoed at the EU level and to sustain their engagement.

An ambitious and binding target for renewable energy for 2030 is necessary to boost local actors' initiatives in the field. "100% renewable" neighbourhoods are emerging across Europe and the appetite of citizens for such projects is growing.

An ambitious and binding target for energy savings for 2030 is paramount to put the EU back on track for its longer term objective presented in the 2050 Energy Roadmap. Energy savings, through deep renovation of the building stock, would save taxpayers money, create new local jobs and yield substantial results as regards energy efficiency since the building sector accounts for 40% of Europe's energy consumption.

A clear and sustainable signal should also be sent to market actors by renewing the **Emission Trading Schemes** (ETS) and/or setting an **energy & carbon tax**.

Therefore, Energy Cities calls on the European Commission:

- to set ambitious and binding targets for GHG emissions, renewable energy and energy savings in the 2030 framework;
- to take initiatives to give sustainable economic signals to market actors though ETS and an energy-carbon tax.

3. Energy Cities calls for a <u>financing scheme</u> that supports innovative actions and investments at a large scale

Most successful examples of sustainable energy policies at national and local levels are unsurprisingly coming from countries where local authorities are empowered, including on energy issues. To draw a new energy paradigm, local and regional authorities need room for manoeuvre and strengthened capacities for experimenting and implementing innovative solutions.

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Energy Cities is accompanying their energy transition via 30 concrete Proposals³ all stemming from successful local practices. As pioneers of this new energy governance, Energy Cities' members can lead by example and support other European cities and towns. Front-runners and followers all need to be adequately incentivised by EU and national institutions.

In addition to being acknowledged as key players of the EU energy and climate policy, local and regional authorities would benefit from a tailored shaping of other EU programmes and instruments to implement their policies in the field.

Therefore, Energy Cities calls on the European Commission to foresee adequate programmes for local and regional authorities in the coming programming period and beyond, such as:

- a successor to the Intelligent Energy-Europe programme within Horizon 2020 that should expand its focus beyond technological innovation and include social, governance and financial innovation, as well as ensuring the continuation of the Covenant of Mayors Office⁴;
- **LIFE Climate Action programme** with substantial budget earmarking and priorities in line with local authorities' needs in terms of climate mitigation policies;
- Cohesion Policy funds with substantial budget earmarking for hard and soft investments at large scale, notably through the reinforcement of local human capacities to deal with the energy transition⁵;
- **technical assistance initiatives** such as the ELENA components, or funds specifically targeting investments in energy efficiency and renewable energy at local level.

³ "30 Proposals for the energy transition of cities and towns" - <u>www.energy-cities.eu/energy-transition</u>

⁴ Energy Cities' position related to the public consultation on the future of IEE III - http://www.energy-cities.eu/IMG/pdf/2012-09 Position paper IEE III programme en.pdf

⁵ Energy Cities' position related to the EU regulation on ERDF - http://www.energy-cities.eu/IMG/pdf/ERDF proposed amendments Nov2012 EN.pdf

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www.energy-cities.eu

The European association of local authorities in energy transition.

The association created in 1990 represents more than 1,000 cities and towns in 30 countries.

Energy Cities leads the Covenant of Mayors' Office (www.eumayors.eu).