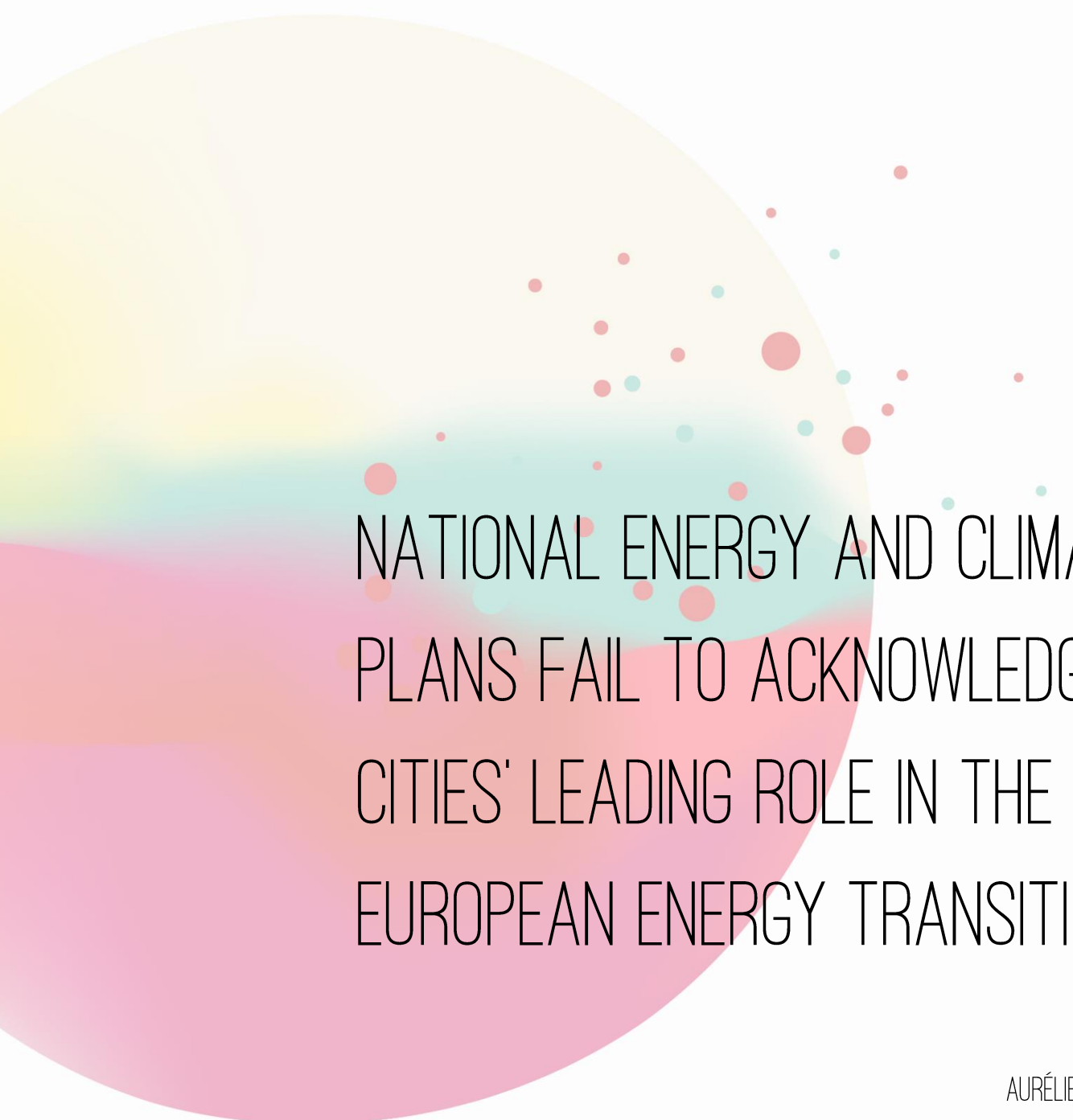


ENERGY**CITIES**



NATIONAL ENERGY AND CLIMATE  
PLANS FAIL TO ACKNOWLEDGE  
CITIES' LEADING ROLE IN THE  
EUROPEAN ENERGY TRANSITION

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## INTRODUCTION

The Energy Union and climate governance rules<sup>i</sup>, entered into force end of 2018, aim at implementing strategies and measures which ensure that the objectives of the energy union, in particular the EU's 2030 energy and climate targets, and the long-term EU greenhouse gas emissions commitments are consistent with the [Paris Agreement](#).

Under this governance regulation, all Member States of the European Union are required to develop integrated National Energy and Climate Plans (NECPs) that cover the five dimensions of the Energy Union (energy security, the internal energy market, energy efficiency, decarbonisation of the economy, and research, innovation and competitiveness). These plans are meant to cover the period between 2021 and 2030, and are to be renewed for every subsequent ten-year period.

In the frame of the promotion of multi-level dialogue, the Member States were required to establish consultations with the general public, but also advised to directly consult representatives of local authorities prior to the drafting of the plan. Such consultations were not only meant to allow local authorities to express themselves on national measures, but also to help Member States integrating actions undertaken by local authorities into the NECPs.

In this frame, the 28 Member States submitted their Draft NECP by the end of 2018. They are to be reviewed by the European Commission, who will provide comments by June 2019. These plans are still drafts, and it is therefore the right moment to analyse them and to provide recommendations for improvement.

This report intends to present the results of an analysis led in order to determine to which extent European cities were involved in the NECP drafting process and local energy and climate actions are taken into consideration by Member States in their NECP. Cities' actions for the energy transition are essential to achieve the Paris Agreement's objectives by 2050. Responsible for 80% of energy use and CO<sub>2</sub>-emissions, local governments are taking action to reduce their impact. In 2018, the Signatory Cities of the Covenant of Mayors had reached 23% CO<sub>2</sub>- emission reduction<sup>ii</sup> compared to their baseline.

This report will successively present its findings (1) by drawing a picture of the mentions of cities' actions and policies, the implication of cities in the NECPs drafting progress and the extent of the recognition of the efficiency of cities-relative European initiatives, then it will present recommendations on how to increase cities' involvement in the final version of the it will present recommendations on how to increase cities' involvement in the final version of NECPs (2), before presenting its methodologies (3).

# 1. FINDINGS

This analysis will therefore examine the three dimensions previously envisioned, by successfully studying the endorsement of cities' actions (A), the mentions of local-level European initiatives (B) and the extent of local authorities' involvement in the NECP drafting process (C).

## A. CITIES' POLICIES IN THE NECPS: A LACK OF RECOGNITION FROM MEMBER STATES

- CLIMATE AND ENERGY ACTIONS FROM CITIES AND LOCAL AUTHORITIES HEAVILY LACK RECOGNITION.
- ONLY 5 NECPS EXPLICITLY HIGHLIGHT AT LEAST ONE CITIES' ACTION.
- 7 MEMBER STATES RECOGNIZE LOCAL ACTIONS, WITHOUT HIGHLIGHTING SPECIFIC ACTIONS.

The cities part of the Covenant of Mayors movement, representing the 28 Member States, have already reported more than 233,000 climate and energy actions by December 2018<sup>iii</sup>. Their contribution to the global objective of CO<sub>2</sub>-emissions reduction is undeniable.

Yet, amongst the 26 NECPs analysed, only 5 (Belgium, Greece, Latvia, Romania and the United Kingdom) include direct mention of actions from cities. Those plans explicitly name the cities (or similar local authorities, i.e. the region of Riga, Latvia) involved. These mentions cover actions in various fields (energy efficiency, smart mobility, or of broader concepts such as "smart cities" or "low-carbon cities"). These plans also encourage the scaling-up of such good practices and claim that a deeper reflexion on the means of such scaling-up is underway, or contain an explicit recognition of the role of local authorities' and cities in the energy transition<sup>iv</sup>.

Country	Cities mentioned	Relevant sector
<b>Belgium</b>	Region of Brussels-Capital	Energy efficiency, Renewable energy sources
<b>Greece</b>	Athens, Thessaloniki	Sustainable mobility
<b>Latvia</b>	Riga	Low-carbon development
<b>Romania</b>	Bucharest, Cluj-Napoca	Smart cities
<b>United Kingdom</b>	London	Green Financing

Table 1: Direct mentions of cities in the NECPs analysed

Some other 7 Member States (Austria, Czech Republic, Denmark, Ireland, Lithuania, Netherlands and Sweden) implicitly take into consideration that some actions are undertaken by local authorities (through vague or quantified mentions, i.e. “22% of cities having conducted energy efficiency program”<sup>v</sup>) in various sectors.

With only 5 countries out of the 26 analysed explicitly mentioning them, it is obvious that the actions of cities are subjected to a lack of recognition from Member States in their NECPs.

## **B. TRANSNATIONAL CITIES-RELATED NETWORKS AND INITIATIVES IN THE DRAFT NECPs: A MINIMAL RECOGNITION**

European cities-related network and initiatives are key facilitators and supporters of

- THE COVENANT OF MAYORS FOR CLIMATE AND ENERGY ACTIONS IS THE ONLY EUROPEAN CITY-LED INITIATIVE MENTIONED (IN 4 PLANS).

energy and climate action. One of the stated objective of the NECPs is to list transnational and regional policies. Highlighting the involvement of local authorities and stakeholders in European and transnational initiatives is an obvious way of both promoting the efforts of local authorities and promoting European cooperation.

Nevertheless, the Covenant of Mayors for Climate and Energy is only mentioned in 4 plans (Belgium, Croatia, Romania and Lithuania).

## **C. CONSULTATIONS OF LOCAL AUTHORITIES IN DRAFTING THE NECPs: A QUESTIONABLE APPLICATION FROM MEMBER STATES**

According to the Energy Union Governance Rules<sup>i</sup>, Member States were supposed to

- ONLY 5 MEMBER STATES HAVE SET SPECIFIC CONSULTATION PROCESSES FOR LOCAL AUTHORITIES.
- 7 OTHER MEMBER STATES HAVE INDIRECTLY CONSULTED LOCAL AUTHORITIES.

organise, in addition to the public consultations, specific consultations for local and regional authorities.

Even if Member States are allowed to involve stakeholders in such consultations after the draft NECPs are reviewed by the Commission, when establishing the final plans, it appears that the most crucial orientations were already determined during the establishment of the Draft NECPs.

As such, it is important to underline the extent of the involvement of local authorities as of today.

Of all plans analysed, only 5 Member States (Estonia, Hungary<sup>vi</sup>, Greece, Latvia, Portugal) claim to have involved local authorities (including municipalities) directly in the drafting process of the NECPs through specific consultations, workshops or questionnaires.

Three Member States (Croatia<sup>vii</sup>, the Netherlands, Sweden) claim to have involved local authorities in the draft of the previous national framework for energy and climate action. They state that the NECPs being directly derived from the previously established frameworks, it was not necessary to directly consult local authorities for the NECP.

In the case of 4 other Member States (Austria, Denmark, Finland, France<sup>viii</sup>), local authorities were involved through their representatives in various committees (national energy or climate committees or associations of municipalities).

The other plans analysed did not contain any specific consultation processes for local authorities. Yet, local authorities were in most cases invited to participate in the consultations organised for the public, as any stakeholder<sup>ix</sup> (public consultations were also mandatory in application of the Governance of the Energy Union Rules<sup>i</sup>). Amongst these Member States, some had not started their consultations process when the plans were submitted and were therefore not able to provide information on the consultations held<sup>x</sup>.

It is interesting to note that in all Member States, local authorities were at least invited to participate in the open public consultations (when such consultation have already been held), and that most Member States made an effort to involve (directly or indirectly) local authorities.

## 2. CONCLUSIONS AND RECOMMENDATIONS FOR THE FINAL VERSIONS OF THE NECPS

The Regulation of the Energy Union requires Member States to involve local authorities and to take into account their role in achieving the five dimensions of the Energy Union. Most Member States explain how the national legislation on climate action and energy creates obligations for local authorities and cities to develop specific climate and energy policies and actions (especially in specific sectors, e.g. sustainable mobility).

The fact that only a minority of Member States take into account the potential contribution of cities' commitment and action on climate and energy, despite the obligation to consult is quite discouraging.

Cities and towns have demonstrated, notably as part of the Covenant of Mayors, their ambitious commitment to mitigate climate change and adapt to its unavoidable impacts. The initiative has also witnessed the development of multi-level governance processes which allow to deliver more efficiently on key sectors local and regional governments can influence (e.g. deployment of RES, energy savings, sustainable mobility). Finally, mayors and local leaders are better placed than national and EU leaders to engage citizens and local stakeholders in the climate and energy transition.

Considering the above and in order to create efficient climate and energy policies, multi-level cooperation need be strengthened. Yet, indirect recognition and mandatory actions cannot lead to an efficient multi-level cooperation. In order to respond to the objectives of the Energy Union, Member States should:

### A. CREATE SPECIFIC CONSULTATIONS PROCESSES FOR LOCAL AUTHORITIES

Local authorities' voices must be heard. Even if such authorities are able to participate in the consultations dedicated to the general public, local governments considering their role as planner, public service provider, role-model and their capacity to engage citizens, they should have a seat at the table. Therefore, it is necessary to make sure local authorities are informed and consulted in the NECP drafting process by creating such a dedicated procedure. The organisation of technical workshops with local authorities such as in Greece<sup>iv</sup>, or by inviting local authorities' representatives to NECP presentation events such as in Estonia<sup>xi</sup>.

## B. INTEGRATE LOCAL AUTHORITIES' CLIMATE AND ENERGY GOOD PRACTICES IN THE NATIONAL STRATEGY BY REFERENCING OUTSTANDING ACTIONS IN THE NECP AND PLANNING ON REPLICATING THEM

Despite the 230,000 climate and energy actions by cities and towns registered through the Covenant of Mayors initiative, one can regret they are still ignored by Member States and not integrated in the national frameworks. In most Member States, there are mechanisms to overview local authorities' actions (i.e. national supervision of local climate action plan<sup>xii</sup>). Such knowledge should be used to integrate local authorities and their replication in the National Strategy

## C. GET INSPIRED FROM MEMBER STATES ALREADY PROMOTING THE SCALING-UP OF THEIR CITIES' LOCAL ACTIONS

Some Member States (see part 1.c. of this document) are effectively promoting their local authorities' actions. For example, the United Kingdom mentions that *"The UK Government is currently working with the City of London to launch the Green Finance Institute next year to act as a hub for green finance and ensure our expertise is available to UK and international partners"*<sup>xiii</sup>. Such example should serve as a model for other Member States when encouraging local authorities' actions in the drafting of the final version of their NECP.

## D. FOCUS ON INVOLVING CITIES IN "LOW-EMISSION MOBILITY"<sup>xiv</sup>, "ENERGY EFFICIENCY"<sup>xv</sup> AND "LOCAL ENERGY COMMUNITIES"<sup>xvi</sup> PROMOTION STRATEGIES

European cities lead ground-breaking actions in sectors which should undergo a profound transition to low-carbon, such as mobility, building, behavioural changes. Those sectors are also, due to their obviously close link to local and city level, best dealt with at local level. Consequently, this is where local authorities' good practices should be highlighted in priority and a legal and financial framework be set-up to enable their actions meet the ambition they have, for instance under the Covenant of Mayors initiative.



### 3. METHODOLOGY

This report was built on the basis of the draft NECPs as they were submitted by Member States to the European Commission<sup>xvii</sup>. The plans were analysed in order to extract the mentions of cities' initiatives, supporting measures and involvement in the drafting process.

It must be noted that, not being available in English, the NECPs of Spain and Luxembourg were not analysed.

Most countries mentioned top-down initiatives relative to cities and local authorities. But such mandatory regulations, mostly transpositions of European directives, are not the focus of this analysis. While they can constitute opportunities for European cities, they do not reflect the value of multi-level governance that is at the heart of the Covenant of Mayors' approach and success.

It is also important to bear in mind that the structure and legislative framework of such Member States have a direct impact on the role and prerogatives of local authorities<sup>xviii</sup>, including cities, creating some inherent differences on the treatment of local authorities' prerogatives.

This analysis will therefore focus on referencing and encouraging the mentions of actions in accordance with the values of multi-level governance encouraged by the Covenant of Mayors: promotion of cities' actions, facilitation of good practices scaling-up, international and European cooperation, and direct consultation of local public authorities.

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<sup>i</sup> Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action.

<sup>ii</sup> According to data from the “2018 Annual Report”, European Covenant of Mayors, 2019.

<sup>iii</sup> According to data from the “2018 Annual Report”, European Covenant of Mayors, 2019.

<sup>iv</sup> Draft Integrated National climate and energy Plan of the Hellenic Republic, Ministry of Environment and Energy of Greece, 2018.

<sup>v</sup> Draft Integrated National climate and energy Plan of the Kingdom of Denmark, Ministry of Environment and Food of Denmark, 2018.

<sup>vi</sup> “Local and regional authorities were involved in the drafting of the plan, and will also take part in social consultations serving its finalisation” (National Energy and Climate Plan of Hungary, 2019), although there are no more details on the process.

<sup>vii</sup> Croatia states that a local authority-specific consultation process is planned for the establishment of the Final NECP (First Draft of the Integrated Energy and Climate Plan for the Period from 2021 to 2030, Ministry of Environment and Energy of the Republic of Croatia, 2018).

<sup>viii</sup> France states that a local authority-specific consultation process is planned for the establishment of the Final NECP (Projet de Plan Integre Energie-Climat de la France, 2018)

<sup>ix</sup> In Romania, “no opinions were received from the local and regional authorities” (Integrated National Energy and Climate Change Plan for 2021 -2030, 2018).

<sup>x</sup> Bulgaria, Czechia, Germany, Italy.

<sup>xi</sup> Estonian national energy and climate plan (NECP 2030), Estonia's Communication to the European Commission under Article 9(1) of Regulation (EU) 2018/1999, Government of Estonia, 2018.

<sup>xii</sup> Such mechanism is planned in the Republic of Ireland (according to the Draft National Energy and Climate Plan (NECP) 2021-2030, Government of Ireland, 2018).

<sup>xiii</sup> 1The UK's draft integrated National Energy and Climate Plan (NECP), United Kingdom government, 2018.

<sup>xiv</sup> Dimension 3.1.3 Other elements of the dimension, (iii.) Policies and measures to achieve low-emission mobility (including electrification of transport) of the NECP Framework.

<sup>xv</sup> Dimension 2.2, Energy efficiency of the NECP Framework.

<sup>xvi</sup> i.e Dimension 2.1.2 Renewable Energies, (v) Where applicable, other national trajectories and objectives, including those that are long-term or sectoral (e.g. share of renewable energy in district heating, renewable energy use in buildings, renewable energy produced by cities, energy communities and self-consumers, energy recovered from the sludge acquired through the treatment of wastewater) of the NECP Framework.

<sup>xvii</sup> It is important to note that this analysis was led on the English version of these plans, half of which are courtesy translations provided by the Translation Services of the European Commission. Neither the services of the European Commission, neither the author of this report can be held responsible for the potential differences between the English version on which the analysis were based and the draft NECPs in the language they were submitted in.

<sup>xviii</sup> i.e. in the example of the Island-State of Malta.