



REPAIR AND PREPARE THE NEXT GENERATION



EU COMMISSION RECOVERY PACKAGE / EU BUDGET 2021-2027 REVISED PROPOSAL (27/05/20)

ENERGY CITIES POSITION JUNE 2020

"Big figures can only have a big impact if the real actors of the economy are involved"

While the proposals of the European Commission are a step forward in terms of solidarity between Member States, they are not providing the necessary springboard to profoundly enhance the resilience of our economies.

Energy Cities is also concerned about democratic accountability, as the proposals set up solely bilateral negotiations processes between the Commission and Member States, thereby effectively bypassing the European Parliament, local governments, stakeholders....

Getting citizens into the driver seat is not only an option, but it is a must.

1 OVERARCHING DEFINITION OF THE RESILIENCY WE WANT

NO SUSTAINABLE RECOVERY WILL BE ACHIEVED IF THE NATIONAL PLANS ARE BASICALLY A COPY-PASTE OF THE "EUROPEAN SEMESTER" APPROACH .

THE CURRENT ECONOMIC THINKING IS A GROWTH-BASED STRATEGY, NOT TAKING INTO ACCOUNT THE CLIMATE NEUTRALITY OBJECTIVE, NOR NATURAL RESOURCES LIMITS.

FINALLY, THE RESILIENCY OF EUROPE WILL RELY ON STRONG LOCAL AND REGIONAL CAPACITIES TO ANSWER BASIC NEEDS SHARING THEIR BEST SOLUTIONS WITH A WIDE COMMUNITY

1# DEFINE RESILIENCY AND INCLUDE CONCRETE OBJECTIVES TO ASSESS PROGRESS

In the present situation, "resilience" is indeed a word that is on every lip. But it is not always clear what it means in practice. Through the implementation of our local transition plans and economic diversification strategies, we have found the answers and believe it could be summarized in three key aspects:

1.The collective capacity to organize and provide essential services and goods, relying on a multitude of players

2.The ability to harness available local resources first, and develop a minimum sufficiency capacity for each territory

3.The resulting flexibility and agility due to the combined efforts of various actors, sectors and solutions

> These 3 objectives should be included in the planned EU recovery and resiliency facility, into all technical assistance instruments, into the Invest-EU regulation, the revised Cohesion Policy proposals (Next Generation EU) as well as the remainder of the revised EU budget proposals.



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1 COMPLETE REVISED GOVERNANCE ALL THROUGH

AS THE CURRENT CRISIS DOES NOT HAVE ANYTHING TO DO WITH THE AFTERMATH OF THE FINANCIAL CRISIS WE FOUND OURSELVES IN A DECADE AGO, IT REQUIRES NEW AND BETTER GOVERNANCE PROCESSES TO CO-DEFINE SUITABLE STRATEGIES ON HOW AND WHERE TO SPEND THE BILLIONS OF THE RECOVERY PACKAGE.

THUS, THE GOVERNANCE OF THE "REPAIR AND PREPARE EUROPE" PROPOSALS, SO THE RECOVERY PACKAGE AND THE REVISED EU BUDGET PROPOSALS FOR 2021-2027, NEED TO BE COMPLETELY REVISED.

LOCAL ACTORS WILL DELIVER AND MOBILISE TO SUPPORT THE DIRECT CRISIS RESPONSE, BUT ONLY IF THEY ARE PART OF THE DECISION PROCESSES ON AN EQUAL FOOTING.

2# REINFORCE AND INCLUDE ART 11. OF THE ENERGY AND CLIMATE REGULATION INTO THE RECOVERY AND RESILIENCY PACKAGE

The Energy Union Governance and Climate Action Regulation introduced multi-level dialogue platforms to co-design national energy policies and climate strategies. While these National Energy and Climate Plans (NECP) are mentioned in the Recovery Package proposals, their governance mechanisms are not included.

Our first assessment of the NECPs has shown that most of these plans have not yet made use of the full potential of these platforms to embark citizens, cities and stakeholders in jointly reaching the level of ambition we agreed upon, which is meeting the goals of the Paris Agreement.

But without fully involving citizens, local governments and stakeholders' expertise in a participatory democratic approach, it is neither possible to mobilise the society, nor to solve tensions between conflicting interests.

Drawing on the NECPs process and their application of the dialogue platforms, we call for these platforms to be included in a revised manner in the Recovery package proposals. They should be remodeled as local resiliency assemblies, which would be compulsory for all Member States to establish and include into the design and delivery of their national recovery and resiliency plans, the Just transition Plans and their NECPs.



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1 OVERARCHING PRINCIPLE FOR ALL EU FUNDS/BUDGETS

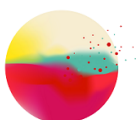
WE CANNOT AFFORD TO USE THIS RECOVERY PACKAGE TO NOT ONLY INVEST INTO FUTURE STRANDED ASSETS, BUT ALSO TO DO INVESTMENTS WITHOUT HAVING THEM PROPERLY CLIMATE-PROOFED.

YOUTH CLIMATE STRIKES HAVE LED TO THE GREEN DEAL PROMISES, AND NOW WE CANNOT AFFORD TO DISAPPOINT THIS #NEXTGENERATION WITH THE RECOVERY PACKAGE AND THE REVISED EU BUDGET PROPOSALS FOR 2021-2027, WHICH MUST ANSWER TRIGGER A NEW ECONOMIC REALITY THAT DOES NO FURTHER HARM TO THE PLANET AND ITS PEOPLE AND WHICH CREATES A JUST, FAIR AND ADVANTAGEOUS SOCIETY FOR ALL.

3# PROPOSE A STRONG AND DETAILED "DO NOT HARM" PRINCIPLE

DO NO HARM: means any measures jeopardising our future should not be supported. We are therefore calling for an extended and precise definition of this principle to be included into all legislation relating to the recovery package and the revised EU budget proposals.

We are also calling for local governments to be able to use the "do not harm principle" to reject non-compatible projects on their territories, which would jeopardise our capacity to reach the climate neutrality.



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SOME SPECIFIC DEMANDS ON DIFFERENT PROPOSALS

FURTHER DETAILS:

OUR PROPOSALS ON THE EU CLIMATE LAW

OUR PROPOSALS ON THE EU GREEN DEAL

OUR PROPOSALS ON THE CLIMATE PACT

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ENERGY CITIES IS A NETWORK OF 1,000
LOCAL GOVERNMENTS IN 30 COUNTRIES.
WE BELIEVE THAT THE ENERGY
TRANSITION IS ABOUT MORE THAN
RENEWABLE ENERGY OR GREAT
TECHNOLOGIES: IT IS ABOUT A WISE USE
OF RESOURCES WHILE STRENGTHENING
LOCAL PARTICIPATION AND WELL-BEING IN
A DEMOCRATIC EUROPE.

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On the Recovery and Resiliency Facility

This facility should include a European City and Community energy facility in order to build capacity of local actors to prepare projects to be financed (such as the eucityfacility.eu)

On the EIB Public sector loan facility

This new facility of the EIB should ensure that its loans are not only available regions eligible for support under the Just transition mechanism, but also for more regions across the EU. This facility should further include not only “traditional” technical assistance instruments (like e.g. in the programme ELENA, only available for the bigger cities) but also provide grants to small- and medium-sized municipalities in particular to prepare investment concepts, such as in the ongoing EU City Facility.

On the Technical Assistance instrument supporting Member States

It should be ensured that this instrument, which aims at advising Member States administration how to be more “efficient”, is addressing the real issues of cross-sectorial and multi-level policies to reach climate neutrality. So far, this proposed instrument is set to provide EUR 1 billion for consultants to support Ministries in Member States in developing growth-sustaining and resilience-enhancing reforms in relation to the implementation of economic adjustment programmes. However, this instrument should not be limited to this support, but also support Member States in vastly improving and increasing participatory democracy and multi-level and cross-sector governance processes.