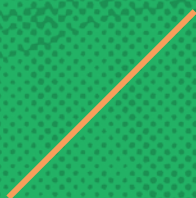


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IMPACT REPORT



ENERGCITIES

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IMPACT REPORT

The 2020 impact report of Energy cities aims at giving you the flavour of the year

- / Foreward
- // The main highlights of Energy Cities activities during the year
- /// Our opinion of what changed during 2020 for cities transition

At glance you can find the main trends and the opportunities that the sanitary crisis might bring to the urban transformation agenda



FOREWARD

2020 will forever be remembered as the year of the pandemic – there is no escape from that. But while the pandemic forced changes on Energy Cities, just as it did for our member cities, we continued to deliver on our promise to democratise, decarbonise and decentralise the energy transition.

The pandemic also reminded us that the energy and value of cities is found in its people. Whether it is sharing ideas, trading goods or building solidarity – cities are for people.

From Vienna to Barcelona, from Helsinki to Dunkirk, there is no shortage of examples of cities who are building better cities for people with climate neutrality strategies, sometimes targeting energy independence and sometimes a broader transition.

Whether this should be done is no longer a question today: energy neutrality must be achieved in the big cities, it has become an obligation. And the mayors of metropolitan cities and medium-sized towns are well aware of this new responsibility.




FOREWARD

As proof, the new mission letters of the deputy mayors and their portfolios: from the first deputy of the City of Brussels, who is responsible for the “climate” in all these dimensions and who ensures its integration into all municipal delegations, or of the deputy Mayor to the City of Nantes, in charge of resilience and foresight but also Vice-President of the metropolis in charge of the climate, energy and food transition, agriculture, economic changes ... Gone are the days when the Vice-Presidents for Energy were only in charge of renovating public buildings!

Energy Cities remains steadfast in its objective of accelerating the energy transition with people at the centre. This Impact Report highlights just a few of the many projects that are building the tools and knowledge our network is creating together so that every city can find the right path for them and their citizens.

It also highlights how the experiences of our member cities are being fed directly into the EU decision-making process to create the right conditions for cities to thrive.



MAIN HIGHLIGHTS OF ENERGY CITIES ACTIVITIES DURING THE YEAR

2020 – City Building
in a Pandemic



NEW BEGINNINGS

One big highlight from 2020 was the launch of the **EU City Facility** – a new way of working for Energy Cities, in conjunction with many partners, to address a well-known concern: the lack of capacity at local level to develop sustainable investment plans for the energy transition.

For the first time Energy Cities is handling direct EU grants to cities along with access to a network of national funding experts to help cities train or hire their own staff in building plans for the future and accessing the often labyrinthian world of EU and national financing.

Our initial call for proposals was overwhelmed both at the amount of responses and the quality of the request for the grants. Fortunately, a second call has just been launched and 2021 should see more cities benefit from the EU City Facility to accelerate their energy transition.



CHAPTERS CLOSING

Several notable projects concluded in 2020 leaving a strong legacy in the participating cities and clear lessons for other cities.

HotMaps is an online, open-source tool for local heating and cooling mapping and strategy development. It was created in collaboration with the cities of **Aalborg, Bistrita, Frankfurt, Geneva, Milton Keynes, Kerry County and San Sebastian** who co-designed, tested and validated the tool in order to guarantee a user-friendly software entirely based on user needs. HotMaps is now available to any city that wants to:

- ✓ **Map the heating and cooling energy situation** including renewable and waste heat potentials in GIS layers in virtually any EU region up to a 250x250m level;
- ✓ **Model the energy system**, considering hourly matching of supply and demand, demand response etc. on local, regional and national level;
- ✓ **Simulate supply and demand options of long-term scenarios until 2050** regarding CO₂-emissions, energy costs, demographic changes, share of renewables.

The timing here is crucial as heating and cooling mapping has already become mandatory in some areas and is being considered as an EU-wide obligation for the future. With HotMaps cities have a tool developed by cities and for cities to do just that.

Innovate developed and rolled-out integrated energy efficiency service packages in 11 target territories including Brussels Capital Region, Riga, **Litoměřice, Aradippou, Frederikshavn, Heerlen, Mantova, Extremadura and more**. These integrated packages, also called “**one-stop**” shops, helped to accelerate home renovations and helped to increase comfort, address energy costs and drive down energy use for citizens with:

- ✓ Development of products adapted to consumers’ concerns
- ✓ Targeted marketing and communication
- ✓ Independent advisors who accompany homeowners through the renovation process from A to Z and guarantee its high quality at each stage: information > preparation > financing > implementation > monitoring of results.
- ✓ Coordination of a chain of suppliers and contractors to deliver a global high quality solution to homeowners
- ✓ Long-term and affordable financing

The lessons of Innovate have already been communicated and shared broadly with the EU Institutions as they look for best practices in designing the EU’s Renovation Wave and the upcoming changes to the Energy Performance of Building Directives (EPBD). Our pioneering cities have already helped their citizens and in doing so helped other European cities as the challenge of upgrading the existing building stock can now be met with a tried and tested approach.



BRIGHT FUTURE

Much of the latter months of 2020 was spent preparing detailed proposals for a wide range of upcoming EU projects involving our members. As always, our project goals and our EU lobbying goals are intertwined as we believe that experiences of cities make the most compelling arguments to EU leaders and provides the most useful feedback into how our 'rules' need to change to allow cities to tap their full potential, and consequently, allow Europe to do the same.

For 2021 we will continue to push mechanisms to increase the local energy production rate and accelerate the transition away from fossil-fuel heating. We will advocate for new and different energy policy design to foster circular systems, break silos and promote broad partnerships for locally-based economies. And we will help translate the 'climate neutral' EU objective into local strategies by advocating for an EU budget that works for local government and a science-based, carbon-budgeting for better decision-making. Finally, we will continue to insert the idea of sufficiency into the centre of all our debates.

The project proposals were more successful than we could have hoped with a very high approval rate. Be sure to check www.energy-cities.eu regularly to learn about how this next wave of projects will continue the energy transition, further our policy objectives and continue accelerating the energy transition in our Energy Cities members!

OUR OPINION OF WHAT
CHANGED DURING 2020 FOR
CITIES TRANSITION →



ONGOING STORIES

Hundreds of our Energy Cities members continue to benefit from ongoing projects in just about every country of the EU.

There isn't the space here to give a rundown on them all, their goals, the collaborations, their participants but

[please sign up for our newsletter](#)

to stay abreast of all the latest developments and milestones



OUR OPINION OF WHAT CHANGED DURING 2020 FOR CITIES TRANSITION



A GOLDEN PERIOD FOR CITY INFLUENCE IN THE POLITICAL SPHERE?

The political landscape in Brussels is always fractured but the current situation is unlike anything we have seen before and it may represent an opening for a golden age of city influence along with unprecedented obligations.

First, the **Climate Law mandating net-zero emissions by 2050 and the 55% reduction in CO₂ emissions by 2030** has set off an unprecedented flurry of legislative activity revising dozens of targets, implementing measures and necessitating countless impact assessments.

There are numerous consequences to this activity.

One, the European Commission is being burned out trying to meet the administrative requirements of this legislative review.

Two, the always powerful European Council has solidified its position in Brussels decision-making, especially as the focus has grown on how to direct spending in recovery plans and the 2021-2027 budget. The power imbalance has been further exacerbated by a European Parliament that has been largely silent the last two years but will have a greater role to play as the various legislative proposals move forward.

Three, there is now a window of opportunity to move away from the doctrine of growth above all. It might be replaced with its ideological cousin of 'green growth', representing minimal change, or we could see a move towards a goal of autonomy and resilience achieved through the net zero target.



WHAT ROLE FOR CITIES?

For decades cities have been asking to be seen as stakeholders in the negotiations on high-level targets and finance priorities. The result was the Committee of the Regions which has an opinion on everything and an audience of almost no one.

But with the ongoing work of setting targets and aligning a new course for a net zero continent attention is turning to those who will implement, on our roads, in our buildings, and in our neighbourhoods, the transformations required by the Green Deal. And that, of course, is cities.

Perhaps the future is rather in a parallel approach, of cities and Member States on an equal footing: States take care of the interconnections between countries and of the rules that apply to all for better cohesion while cities pull the levers that allow them to transform their local economy, and they organize themselves to leave no territory "behind."

To give one example, there is no need for cities to think about the rules of the electricity market when it is dominated by about twenty operators. But it becomes absolutely necessary to involve cities directly, in particular through remunicipalisation, when there is a goal is to interconnect the networks (heat, electricity, mobility), reduce needs, create local loops, solidarity with neighbouring territories, aligning agricultural and energy sectors and more. Cities are the only level of government that can recognise and align the resources and actors available in sufficient detail to tap into the real synergies available and necessary for a net zero Europe.

Another major change in the EU doctrine, this one quite radical is the question of European autonomy – a key, if vague, talking point from the presidents of the European Commission and Council recently. Achieving a new level of autonomy for Europe begins with building more livable and resilient cities that control their own systems for energy, food and materials. Cities and regions have the keys to build more autonomy (resource management, circular economy, sufficiency, adaptation, etc.) while lacking some elements needed for full autonomy such as fundamental research. This debate is far from crystal clear and may yet default to simpler, less constructive questions such as whether the EU should be engaging in global trade wars ignoring the fact that a global transition cannot be a zero sum game.



DOES IT ALL COME DOWN TO MONEY?

Compared to the sclerotic movements of the EU's interinstitutional processes cities are fast and agile actors capable of rapid action and transformation. Currently the significant amount of funds on the table are not moving quickly because of the limited administrative capacity to assess and enact proposals at European level. Commissioner Ferreira is well aware of the needs of local communities, and the opportunities and challenges that cities could have with ready access but is unable to act without agreement from member states.

Energy Cities has focused on getting these funds moving by arguing for increased support for cities to develop the capacity to set up projects. In essence, an expansion of the EU City Facility in the shorter term to develop a pipeline of projects at local level to ensure a dependable absorption of funding. This is a more productive approach than trying to influence the governance of national strategies as there is little motivation for member state governments to share power, influence and reputation when it comes to stimulus spending.



SHORT, MEDIUM AND LONG TERM OUTLOOKS

SHORT TERM

In all the instruments of the Recovery Fund, the Commission manages a TSI (Technical Support Instrument), the implementing regulations for which have just been published in the Official Journal. States can request financial support for expertise to the tune of almost 900 million euros for the period 2021-2027. There is an opportunity for cities to tap into this envelope with the collaboration of Member States. It is the Member States who make the request to DG REFORM and it is important to include the following arguments:

- 1) scalability / replicability of the local pilot project – for other local authorities in the country**
- 2) support by their national ministry that their local pilot project is key and can be beneficial also for other local authorities in the country**

We must therefore ensure that the Member States do it: it is direct aid for municipal administrations, to formulate strategies, seek projects and build capacity.

MIDDLE/LONGER TERM →

MIDDLE TERM

An ongoing request for support (and this could also be via the TSI) to have local CoPs all over Europe to embed the Paris declaration in our communities. The President of the European Commission will send a letter the week of April 19th to all the Mayors of Europe asking them to commit to the new Covenant of Mayors, which sets carbon neutrality as a horizon and insists on the necessary inclusion of all. Local CoPs are an ideal mechanism to achieve inclusion and therefore the opportunity should be there to request specific support in future calls for projects from DG REGIO (via the Structural Funds) or DG RTD (Horizon Europe).

An additional benefit is that the CoPs would provide an opportunity to move stimulus plans away from being investment-oriented by sector to a more multi-sector, territorial approach. Tools such as local IPCCs and climate budgets could be funded to provide communities with the skills and the right compass to make the right investment decisions, always following the 'Do No Significant Harm' principle.

LONGER TERM

New European Bauhaus: A 'UPO' or unidentified policy object

This initiative of the President of the European Commission is designed to promote a new interdisciplinary culture: an initiative of hope to "think and test the way we want to live together in post-covid times. (And) to make the spaces where we live and the way we experience them Sustainable-Beautiful- Together."

Announced in her first State of the Union speech (Sept 2020), the proposed approach is to link the education sectors, architects, town planners and to think of "forms follows planet" as a new form of development. Uniquely, the initiative is not steered directly by a DG (since they are sectoral) but by the research centre and because it doesn't have a defined programme. The current phase is an open contribution phase. Crucially, it is very very well supported by the President herself who absolutely wants European funds to be earmarked (the two other commissioners in charge are the RDT and REGIO commissioners) and it has a great deal of political capital. One opportunity is the President's suggestion of having local conversations to bring out ideas.

The **New European** Bauhaus initiative is an opportunity for cities to define and develop their agenda together with their own transformation compass and the indicators that go with it. Rather than "do not significant harm we can aspire to having a high transformative power! Having the support of the Portuguese President so that the cities define their own indicators of "success" of the recovery and a timetable for doing so would be very useful.

We will collectively make
stories and not only tell stories.
THANK YOU

Energy Cities' mission is to empower cities and citizens to shape and transition to futureproof cities. We showcase concrete alternatives deployed by cities, we advocate to change politic and economic governance at all levels and we foster a wide cultural change leading to a futureproofed society. Energy Cities community is composed by local leaders of thousands of cities in 30 European countries.

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