



Paving a Smooth Path for Ambitious Transitions in Cities

Policy Recommendations for EU & National
Decision-Makers



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**Paving a Smooth Path for Ambitious Transitions in Cities:
Policy Recommendations for EU & National Decision-Makers**

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INTRODUCTION

Cities and municipalities are at the heart of key energy paradigms necessary to address incumbent climate challenges. In 2050, it is expected that 83.7% of Europeans will be living in urban areas¹, emphasising the role of local authorities to be the first line of defence in light of exacerbating and systematic environmental challenges that impact the livelihood of citizens. Although the anthropologic trends speak for themselves, **the EU is still missing integrated approaches that recognise local authorities as legitimate leaders of the ecological transition Europe is venturing in.** Enhancing local resilience through vertically imposed mandates that fail to discern territorial circumstances and ambitions, is already set to be a fiasco that would impair cities' potential to bloom.

Local authorities are certainly not missing the ambition to drive the struggle towards climate-neutrality, but decarbonisation is not achievable only by goodwill. Cities need to be provided with the right tools to shape their ecological transition to the needs of their citizens. The previous set of policy recommendations highlighted how local practitioners in administrations and councils, could reframe their systems of governance to address the cross-sectoral features characterising energy and climate planning. **However, when it comes to the capacities and networks necessary to empower cities, the ball falls in the court of the EU and National decision-makers.**

Working with the Pilot Cities of TOMORROW (Brasov, Brest Métropole, Dublin Region, Mouscron, Niš, and Valencia) shed a light on the features of local governance that accelerate and expand transition roadmaps. However, it also allowed the project to highlight missing catalysts that are far beyond the control of local governments, and if are not adequately addressed, represent active barriers to climate ambitions. **The following policy recommendations target EU and National decision-makers, to urge a revision of legislative frameworks that reflect supporting roles for cities in transition.** Besides the core issue of insufficient and hardly accessible funding directly available to cities, TOMORROW identified concrete solutions to systemic deficiencies.

These recommendations touch upon the issues and the solutions to the following EU and National barriers:

1. Inadequate **local staff capacities** to plan and implement local roadmaps
2. Lacking or ambiguous **local/regional transition agencies** as project facilitators
3. Missing **permanent climate and energy dialogues (CEDs)** to allow local and regional authorities to have exchanges with their national governments and co-decide climate and energy strategies
4. Need of national **one-stop shops for knowledge-sharing** to offer targeted support relevant to specific features of the transition and a European one to present local perspectives for EU files concerning the European Green Deal



Local Staff Capacities

The issue

Political ambition and commitment towards climate neutrality will only get local decision-makers so far if they do not have the sufficient workforce to implement the transition. When it comes to the ecological transition, human capital is equally as important as technology and investment. Local policies for climate-neutrality require additional staffing capacities to carry out and uphold this monumental and comprehensive transformation of our society and economy, in the most agile and efficient way possible.

To give a few examples, reinforced staffing capacities are needed:

- **For the deployment of renewable energy technologies.** This demands of local administrations a series of time-consuming steps – from carrying out studies on renewable potentials, to engaging with landowners, and setting up procurement processes for the development and supervision of a project – that, if not adequately staffed, cause unnecessary delays and slow down the transition to renewables.
- **For the reorganisation of the energy sector involving a wide-range of sectors,** including mobility, building performance, urban planning, circular economy and others. If human capital is not adequately reinforced across sectors, local administrations are overwhelmed with work that they cannot develop or track.
- **To offer adequate services to citizens and businesses.** Additional local staff should be dedicated to guiding citizens in choosing the most appropriate green solutions available, for example, through energy audits and consultations.
- **To engage the local community in participatory processes.** Local governments often lack the competencies to organise, preside and follow up on actions meant to collect contributions and opinions of citizens.

The transition is implemented at all levels of governance. Therefore, national governments should address staff deficiencies in public administrations. Reinforced personnel must be in-house and constantly engage with municipal activities dedicated to climate-neutrality, in order to develop a stronger understanding of the local context and potential. In addition to the funding needed to open new positions in local administration, the recruitment process should reflect the transversal skillset that the transition demands. There should also be fair compensation and opportunities for growth to make the posts attractive and competitive with the private sector.

How can the EU and Member States improve?

Recommendations from the [localstaff4climate](#) campaign.

*The Localstaff4climate campaign is an advocacy platform launched to highlight the needs of local administrations for additional employees to adequately address the renovation wave. The campaign is supported by [a study](#) that identifies the required expertise and quantifies the staffing needs, providing solid bases for discussion and development of new legislations under the scope of Fit-for-55. Finally, the manifesto outlines the **4 key recommendations** here below for lawmakers to keep in mind when advancing the green agenda in favour of local empowerment.*

① → **Finance the recruitment of municipal and local public body staff.**

Member States need to thoroughly assess the local human resources needs in order to achieve an effective decarbonisation plan of the required scale and time. Accordingly, Member States must propose strategies to close the gap; these must include direct financing of long-term job positions in municipalities and related climate and energy public bodies. The European Commission should support these assessment and recruitment efforts by requiring them as part of the National Energy and Climate Plans or EU Green Deal legislations, and blending funding instruments such as ESF+, ERDF, Erasmus and InvestEU to make funds available.

② → **Make jobs more appealing and support local pooling of expertise.**

Member states must design proper human resources strategies to improve the attractiveness of jobs with municipalities and local related public bodies and to facilitate solutions such as pooling experts between municipalities and with the supra-municipal level (metropolitan, provincial, and regional areas). The EU and its Member States must support the extensive sharing of best practices via the Technical Support Instrument, the Mission Cities and the Covenant of Mayors.

③ → **Provide training and reallocation programmes to upskill municipal and related local public body staff.**

National governments must develop adapted training programmes for new and reallocated municipal staff. The EU must coordinate these national programmes for local climate and energy staff and participate in the financing of these national programmes via the reviewed Recovery and Resilience and Cohesion Funds.

④ → **Provide a framework enabling local governments to develop their own green budget, investments, and workforce.**

Budgetary rules at the national and European levels must view calculate staff costs as productive investments rather than expenses, thereby exempting them from debt calculation rules and facilitate the recruitment of new staff. To do so, the Stability and Growth Pact must be reviewed. Additionally, in order to increase the autonomy of cities in managing their climate policy, revenue from EU, national and local climate taxes shall be used to finance local investments, including recruitment of staff. The development of local climate taxes should also be encouraged as well as local ownership of renewable generation units and heat networks including energy communities.



Local & Regional Transition Agencies

The issue

For decades now, climate and energy agencies have been piloting the implementation of Europe's ecological ambitions. As a bridge between remote decision-making and on-the-ground realities in municipalities, these agencies help local governments guarantee and improve the well-being of citizens in shifting contexts, while finding alternatives to fossil fuels apt for their territories.

Their role as market facilitators is essential to providing technical assistance to sub-national authorities. By implementing international and regional projects in their local territories, they develop strong capacities in project management and networking. Transition agencies can thus connect public and private stakeholders to build the necessary capacities to promote and co-finance projects. Through one-stop-shops they also guide citizens in sustainably improving their households or businesses in the jungle of overlapping – and often contradictory – regulatory and financial frameworks.

Despite extensive records of successful green projects carried out over decades, there is still much ambiguity regarding the nature and status of transition agencies in EU law. This ambiguity limits their visibility and capacities to pursue impactful climate projects. Many European governments neglect the potential of local and regional transition agencies when designing their energy and climate strategies. This lack of recognition and funding is not only a lost opportunity for the transition, but also aggravates territorial disparities: already established offices develop unequal capacities and offer services with uneven scopes.

How can the EU and Member States improve?

- **Laws mandating the establishment of transition agencies** to support local governments' path to climate-neutrality. Ideally, one per 50.000 inhabitants, anchoring it to the ratio requirement of one-stop-shops according to the Energy Performance Building Directive.
- **EU-funded programme** dedicated to establishing local and regional transition agencies.
- **Clear-cut definitions at the national level** on the nature and scopes of transition agencies (technical assistance, financing, contracting etc...).



Permanent Climate and Energy Dialogues

The issue

On the national level

Article 11 of the Energy Union governance states that “*each Member State shall establish a multilevel climate and energy dialogue pursuant to national rules, in which local authorities, civil society organisations, business community, investors and other relevant stakeholders and the general public are able actively to engage and discuss the different scenarios envisaged for energy and climate policies, including for the long term, and review progress, unless it already has a structure which serves the same purpose.[...]*”.

National pledges to achieve ambitious climate objectives are empty if they do not acknowledge the enablers and barriers that local governments deal with in the ecological transition. In its final assessment of the first round of NECPs, the European Commission invited the Member States to take greater advantage of multi-level dialogues on climate action with regional and local authorities. When designing climate strategies, national authorities must define their objectives and action plans from the ground-up, according to local governments’ capacities and opportunities, by establishing a multilevel governance framework.

For this, local authorities must be involved from the start in the design of NECPs and in long-term climate policies. Multi-level CEDs are cooperative frameworks designed to bring together national and subnational authorities with the purpose of co-creating climate strategies that are coherent across levels of governance and consistent with their capacities to engage in an ecological transition. These platforms do not only ensure that a country moves in unison towards common objectives, but are also venues to assess the needs of local governments to autonomously push for climate-neutrality. Considering that decentralisation is essential to the energy transition, CEDs are fundamental frameworks to empower municipalities in the transition, giving them the adequate resources and a sense of ownership over their transition process.

On the EU level

EU decision-making on the European Green Deal overlooks the competency of subnational authorities and fails to recognise their needs, disregarding the key role that local and regional governments play in the climate and energy transition. Meanwhile, the largest portion of this legislation is carried out at the local level, through projects that cities and municipalities develop to meet climate ambitions. Lack of communication between EU legislators and local implementers risks creating a disconnect between EU legislative framework and the state of play of necessary transitions. This in turn could lead to a growing mismatch between ambitions and capacities to pursue them, as well as exacerbate territorial disparities.

The triad as it stands today, infiltrated by sectoral lobbies, does not offer proper venues to periodically reconvene with local and regional networks to assess the status of Fit-for-55. Subnational authorities lack access and resources to take a stand and make their voices heard. In the same way that national governments should set up multi-level dialogues to implement their climate and energy strategies, the EU should set up platforms to periodically exchange with local networks and urban initiatives on each file of Fit-for-55. These venues should be steered to highlight deficiencies in EU legislation and ambiguities in national regulation.

How can the EU and Member States improve?

The EU

- **Establish a venue for EU legislators and representatives of local authorities** to discuss climate and energy ambition and policies, and to monitor their implementation.
- **Develop impact assessments on territorial cohesion** for every legislation concerning the European Green Deal.
- **Provide guidelines and good practices of multi-level dialogue** to Member States.

Member States

- **Establish platforms of dialogue on climate and energy.**



One-stop-shops for knowledge-sharing

The issues

On the national level

One feature often neglected in transition governance is accessibility to knowledge, specifically, the possibility for local decision-makers to learn from other cities' experiences facing and overcoming similar obstacles.

Learning about peers' approach to climate-neutrality facilitates replication, regarding objectives, investment schemes and stakeholder involvement strategies. Success stories highlight which processes need to be established and the conditions in which they will be successful, becoming lighthouse examples for others to follow. Thus, establishing knowledge-sharing platforms with matchmaking activities between successful and aspiring local transition-makers, is key to enabling meaningful shifts in local ecosystems. They can help set willing cities who do not know where to start on the right path.

The greatest barrier here is the lack of thematic venues at the national level to encourage peer-to-peer learning with pioneers from one's own territory. Regrouping local energy practitioners nationally makes sense as they face the same regulatory barriers stemming from either poor legislation or inaccurate transposition of EU directives. A national knowledge-sharing platform would also be a place to find available national financial actors, criteria for co-financing and access to funding, facilitating the design of local investment plans. Lastly, it would offer an inclusive space for competent administrations that are sometimes excluded from meaningful international exchanges because of language and cultural barriers.

On the EU level

There is a jungle of already existing urban initiatives pursuing climate-neutrality, very often with overlapping scopes of actions and objectives. Collaborations across these European networks are necessary to synthesise and present lessons learnt to EU decision-makers. Initiatives such as the Covenant of Mayors, Net-Zero Cities or Scalable Cities should be regularly consulted for legislative files concerning the European Green Deal. A platform which highlights the experience of implementers is crucial to adapt legislation to changing contexts and to ensure that cities have the means to push forward their climate ambitions.

Transitioning to climate-neutrality requires bold commitments and policies by local politicians often exposed to local criticism. It is important to offer them the “safe-space” of a European urban initiative and to give their ambition recognition and visibility.

How can the EU and Member States improve?

- ➔ **Reduce the confusion and the overlapping objectives** among EU local initiatives
- ➔ **Establish national offices of local initiatives** supporting the European Green Deal





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Tomorrow is a Horizon 2020 funded project, aiming at empowering local authorities to lead the transition towards low-carbon, resilient and more liveable cities. In the framework of the project, six cities will develop 2050 transition roadmaps together with citizens and other local stakeholders and serve as pilot for the transition of European territories.

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